TETON INVESTORS, INC.
A Delaware Corporation

189 Mason Street, Greenwich, CT 06830

Telephone: (914) 457-1070
Website: https://www.tetonadv.com/
Email: info@tetonadv.com

Federal EIN: 13-4008049

Issuer's Quarterly Report
For the quarterly period ended March 31, 2025

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

Class	Outstanding at December, 31, 2024	Outstanding at April 30, 2025
Class A Common Stock, $0.001 par value (OTCQX: TETAA)	1,291,224	1,291,225
Class B Common Stock, $0.001 par value (OTC Pink: TETAB)	328,775	328,774

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 ☒

Teton 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.

TETON 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 Teton Investors, Inc.

Company Description

Teton Advisors, Inc., a company incorporated under the laws of Delaware, is a holding company that, through its subsidiaries, provides investment advisory services to open-ended funds and separate client accounts. ("Teton," the "Company," and unless we have indicated otherwise, or the context otherwise requires, references to "we" or "us" all refer to Teton Advisors, Inc.) We generally manage assets on a fully discretionary basis and invest primarily in U.S. securities. Our revenues are based primarily on the Company's level of assets under management ("AUM") and fees associated with our various investment products. We conduct our investment advisory business principally through two subsidiaries, which are registered investment advisors: Keeley-Teton Advisors, LLC ("Keeley-Teton") and Teton Advisors, LLC ("Teton LLC").

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The principal executive office and principal place of business is located at 189 Mason Street, Greenwich, CT 06830.

Telephone: (914) 457-1070

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ITEM 2: SHARES OUTSTANDING

There are two classes of Teton'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 TETAA and Class B Stock trades on the OTC Pink market under the symbol TETAB.

The following table shows summary information on each class of securities outstanding as of March 31, 2025, December 31, 2024, and December 31, 2023.

Preferred Stock	March 31, 2025	December 31, 2024	December 31, 2023
Number of shares authorized	350,000	350,000	350,000
Number of shares outstanding	-	-	-
Number of shares freely tradable (public float)	-	-	-
Total number of holders	-	-	-
Class A Common Stock	**March 31, 2025**	**December 31, 2024**	**December 31, 2023**
Number of shares authorized	5,150,000	5,150,000	5,150,000
Number of shares outstanding	1,291,225	1,291,224	1,313,112
Number of shares freely tradable (public float)	201,572	201,467	204,220
Total number of holders	33	26	19
Class B Common Stock	**March 31, 2025**	**December 31, 2024**	**December 31, 2023**
Number of shares authorized	2,000,000	2,000,000	2,000,000
Number of shares outstanding	328,774	328,775	329,028
Number of shares freely tradable (public float)	17,728	17,729	26,298
Total number of holders	86	90	95

The number of shares freely tradable may include shares held by stockholders owning 10% or more of our Class A and Class B common 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.

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 Teton through direct or indirect ownership of our common stock. A total of

200,000 Class A Stock have been reserved for issuance under the Plan which can increase on the first trading day of January of each calendar year during the term of the Plan, beginning with the calendar year 2023, by an amount up to 5% of the combined number of shares of Class A common stock and Class B common stock outstanding as of the last trading day of the prior calendar year, as determined by the board of directors (the "Board of Directors") prior to the date of increase. 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.

As of March 31, 2025 and December 31, 2024, there were 17,500 and 17,500, respectively, RSAs outstanding with weighted average grant prices per RSA of $21.90, respectively.

ITEM 3: INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Teton Advisors, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
Revenues		
Investment advisory fees, net	$ 2,513,864	$ 2,502,979
Distribution fees	922	2,798
Total revenues	2,514,786	2,505,777
Operating expenses		
Compensation	1,307,845	1,307,675
Marketing and administrative fees	24,045	39,244
Distribution expenses	228,048	350,150
Advanced commissions	1,136	2,839
Sub-advisory fees	298,584	308,781
Other operating expenses	490,633	441,632
Total operating expenses	2,350,291	2,450,321
Operating income	164,495	55,456
Investment and other income		
Unrealized gain on investments	25,297	38,637
Dividend and interest	219,133	255,226
Total investment and other income	244,430	293,863
Income before depreciation, amortization, impairment and income taxes	408,925	349,319
Depreciation and amortization expense	150,801	81,876
Income before income taxes	258,124	267,443
Income tax (benefit)	(14,338)	(30,718)
Net income	$ 272,462	$ 298,161
Net income per share:		
Basic	$ 0.17	$ 0.19
Fully diluted	$ 0.17	$ 0.18
Weighted average shares outstanding:		
Basic	1,609,499	1,599,440
Fully diluted	1,613,190	1,623,172

The accompanying notes are an integral part of these consolidated financial statements.

Teton Advisors, Inc. and Subsidiaries
Condensed Consolidated Statements of Financial Condition

		(Unaudited) March 31, 2025		December 31, 2024
ASSETS				
Cash and cash equivalents	$	22,331,649	$	22,222,338
Investment advisory fees receivable		986,777		1,049,422
Distribution and shareholder service expense reimbursement receivable		39,834		45,642
Receivable from affiliates		320		350
Investments in securities		2,912,683		2,887,386
Contingent deferred sales commissions		3,821		2,593
Deferred tax asset		2,401,484		2,473,597
Intangible assets, net (Note B)		4,754,940		4,905,339
Right-of-use assets		110,241		133,503
Other assets (net of accumulated depreciation of $3,881 and $3,479 respectively)		586,762		543,158
Total assets	$	34,128,511	$	34,263,328
LIABILITIES AND STOCKHOLDERS' EQUITY				
Compensation payable		985,214		1,193,429
Payable to affiliates		166,888		180,486
Distribution costs payable		147,550		154,813
Income tax payable		130,517		110,635
Lease liabilities		110,241		133,503
Contingent consideration (Note E)		1,922,940		2,032,000
Accrued expenses and other liabilities		844,796		922,056
Total Liabilities		4,308,146		4,726,922
Stockholders' equity:				
Preferred stock, $0.001 par value; 350,000 and 350,000 shares authorized; none issued and outstanding		-		-
Class A Common stock, $0.001 par value; 5,150,000 and 5,150,000 shares authorized; respectively				
1,362,374 and 1,362,373 shares issued, respectively;				
1,291,225 and 1,291,224 outstanding, respectively		1,319		1,319
Class B Common stock, $0.001 par value; 2,000,000 and 2,000,000 shares authorized; respectively				
792,000 shares issued; 328,774 and 328,775 shares outstanding, respectively		339		339
Additional paid-in capital		11,118,369		11,106,872
Treasury stock, at cost (71,149 class A shares and 443 class B shares				
and 71,149 class A shares and 443 class B shares, respectively)		(1,578,223)		(1,578,223)
Retained earnings		20,278,561		20,006,099
Total stockholders' equity		29,820,365		29,536,406
Total liabilities and stockholders' equity	$	34,128,511	$	34,263,328

The accompanying notes are an integral part of these financial statements.

Teton Advisors, Inc. and Subsidiaries
Condensed Consolidated Statements of Stockholders' Equity
For the Three Months Ended March 31, 2025
(Unaudited)

	Common Stock Class A	Common Stock Class B	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total
Balance at December 31, 2024	$ 1,319	$ 339	$ 11,106,872	$ (1,578,223)	$ 20,006,099	$ 29,536,406
Net income	-	-	-	-	272,462	272,462
Stock based compensation	-	-	11,497	-	-	11,497
Balance at March 31, 2025 (unaudited)	$ 1,319	$ 339	$ 11,118,369	$ (1,578,223)	$ 20,278,561	$ 29,820,365

The accompanying notes are an integral part of these financial statements.

For the Three Months Ended March 31, 2024
(Unaudited)

	Common Stock Class A	Common Stock Class B	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total
Balance at December 31, 2023	$ 1,310	$ 339	$ 10,884,291	$ (1,254,002)	$ 18,448,331	$ 28,080,269
Net income	-	-	-	-	298,161	298,161
Stock based compensation	-	-	84,196	-	-	84,196
Balance at March 31, 2024 (unaudited)	$ 1,310	$ 339	$ 10,968,487	$ (1,254,002)	$ 18,746,492	$ 28,462,626

Teton Advisors, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three months ended March 31, 2025	2024
Cash Flow From Operating Activities		
Net income	$ 272,462	$ 298,161
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Amortization of intangible assets	150,399	81,475
Amortization of deferred sales commission	1,136	2,839
Depreciation and amortization - other	401	401
Deferred taxes	72,113	85,727
Unrealized (gain) on investment in securities	(25,297)	(38,412)
Stock based compensation expense	11,497	84,196
(Increase) decrease in operating assets:		
Investment advisory fees receivable	62,645	(315)
Distribution and shareholder service expense reimbursement receivable	5,808	(136)
Receivable from affiliates	30	(1,688)
Contingent deferred sales commission	(2,364)	(826)
Right-of-use assets	23,262	34,123
Other assets	(44,005)	(69,640)
Increase (decrease) in operating liabilities:		
Compensation payable	(208,215)	(127,376)
Payable to affiliates	(13,598)	252,401
Distribution costs payable	(7,263)	73,860
Income tax payable	19,882	510
Lease liability	(23,262)	(34,123)
Accrued expenses and other liabilities	(77,260)	(91,008)
Total adjustments	(54,091)	252,008
Net cash provided by (used in) operating activities	218,371	550,169
Financing activities		
Payment of contingent consideration for Wilen acquisition	(109,060)	-
Net cash (used in) financing activities	(109,060)	-
Net increase in cash and cash equivalents	109,311	550,169
Cash and cash equivalents:		
Beginning of year	22,222,338	20,781,885
End of period	$ 22,331,649	$ 21,332,054
Supplemental disclosure of cash flow information:		
Federal and State income tax payments	$ 628	$ -

The accompanying notes are an integral part of these financial statements.

Business Description

Teton was formed in Texas as Teton Advisers, LLC in December 1994. On March 2, 1998, Teton Advisers, LLC was renamed Gabelli Advisors, LLC and, on the same date, merged with Gabelli Advisers, Inc., a Delaware corporation. On January 25, 2008, Gabelli Advisers, Inc. was renamed Teton Advisors, Inc. (OTCQX: TETAA). Teton's principal executive office is located at 189 Mason Street, Greenwich, Connecticut.

Teton was spun off from GAMCO Investors, Inc. (QTCQX: GAMI) ("GAMCO"), which had a 42% ownership stake, on March 20, 2009. Teton began trading on September 16, 2009 at $2.75 per share.

On February 28, 2017, Teton acquired the assets of Keeley Asset Management Corp. ("KAMCO") in a newly formed, wholly owned subsidiary, Keeley-Teton Advisors, LLC ("Keeley-Teton"). Keeley-Teton serves as the investment advisor for the KEELEY Funds and separately managed accounts. The acquisition expanded Teton's product suite which now has eight mutual funds under the TETON Westwood and KEELEY Funds Brands (collectively referred to herein as the "Funds"), along with various separately managed account strategies.

On December 30, 2021, Teton transferred the investment management agreement with the TETON Westwood SmallCap Equity Fund and the portfolio team that managed the fund to Keeley-Teton. Since December 31, 2021 Teton's advisory business is done through its wholly-owned subsidiary, Teton Advisors, LLC ("Teton LLC"), a registered investment advisor.

On August 5, 2024, Teton completed an asset acquisition of Wilen Investment Management Corp. ("Wilen"), a company providing investment management services. At the time of acquisition, Wilen had a combined AUM of approximately $109 million. The transaction was accounted for as an asset acquisition in accordance with ASC 805, Business Combinations.

Total assets under management ("AUM") of Teton and its subsidiaries was $1.4 billion as of December 31, 2024. This is comprised of mutual funds under both the TETON Westwood and Keeley families of funds with total AUM of $808.8 million at December 31, 2024 and various separately managed institutional, wrap, private wealth, and unified managed accounts with total AUM of $543.7 million at December 31, 2024.

Teton's website is www.tetonadv.com.
Keeley-Teton's website is www.keeleyteton.com.

The TETON Westwood Funds consist of the following five funds:

- TETON Westwood Mighty Mites^{SM} Fund
- TETON Westwood Equity Fund
- TETON Westwood Balanced Fund
- TETON Westwood SmallCap Equity Fund
- TETON Convertible Securities Fund

The KEELEY Funds consist of the following three funds:

- KEELEY Small Cap Dividend Fund
- KEELEY Small-Mid Cap Fund
- KEELEY Mid Cap Dividend Value Fund

Teton LLC has retained Gabelli Funds, LLC, a subsidiary of GAMCO, to act as sub-advisor for the TETON Westwood Mighty Mites Fund and the TETON Convertible Securities Fund. Teton LLC has also retained Westwood Management Corporation, a subsidiary of Westwood Holdings Group, Inc. (NYSE: WHG) to act as sub-advisor for the TETON Westwood Balanced Fund and the TETON Westwood Equity Fund.

The TETON Westwood SmallCap Equity Fund and all of the KEELEY Funds are advised by Keeley-Teton.

G.distributors, LLC ("G.distributors"), an affiliate of Teton and a subsidiary of GAMCO, distributes both the TETON Westwood and KEELEY Funds pursuant to distribution agreements with each fund.

A. Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared on the accrual basis of accounting in accordance with the U.S. generally accepted accounting principles ("GAAP") and include the accounts of Teton and its subsidiaries Teton LLC and Keeley-Teton. All intercompany accounts and transactions have been eliminated upon consolidation. Additionally, these interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in the Company's Annual Report for the year ended December 31, 2024.

Reclassifications

Certain amounts in prior periods may have been reclassified to conform to the current period presentation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ materially from those estimates.

Nature of Operations

Teton LLC and Keeley-Teton are both SEC registered investment advisors under the Investment Advisers Act of 1940. The Company's principal market is the United States.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held at banks and brokers, U.S. Treasury Bills and Gabelli U.S. Treasury Money Market Fund, which invests fully in instruments issued by the U.S. government. Cash equivalents may consist of cash and highly liquid investments with original maturities of less than three months and are included in the cash and cash equivalents on the condensed consolidated statements of financial condition.

Securities Transactions

Investments in securities are accounted for as "trading securities" and are stated at fair value, with any unrealized gains or losses reported in current period earnings in other income, net in the condensed consolidated statements of operations. Management determines the appropriate classification of debt and equity securities at the time of purchase. Securities that are not readily marketable are stated at their estimated fair values in accordance with GAAP. Securities transactions and any related gains and losses are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the specific identified cost basis and are included in other income, net in the condensed consolidated statements of operations.

Revenue Recognition – Investment Advisory Fees

The Company's revenues are derived primarily from investment advisory fees. Investment advisory fees are directly influenced by the level and mix of AUM as fees are derived from a contractually determined percentage of AUM for each open-end fund, separate, private wealth and wrap account. Advisory fees from the open-end mutual funds are computed daily based on average net assets and amounts receivable are included in investment advisory fees receivable in the condensed consolidated statements of financial condition. Advisory fees from separate, private wealth and wrap account clients are generally computed quarterly based on account values as of the end of the preceding or current quarter in accordance with the terms of each client's investment advisory agreement. Client agreements provide for such fees to be billed in arrears or in advance. Fees billed in arrears are included in investment advisory fees receivable in the condensed consolidated statements of financial condition. Fees billed in advance are recognized as income over the quarter as the investment advisory services are performed. These revenues vary depending upon 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 management fee rates than fixed income portfolios. Account receivables are stated at the amount management expects to collect from outstanding balances. Management believes that all account receivables are collectible; accordingly, an allowance for doubtful accounts has not been established.

Revenue Recognition – Distribution Fees

Distribution fees include distribution fees paid to the Company by G.distributors, LLC ("G.distributors") on the TETON Westwood Funds' Class C shares sold. Class C shares have a 12b-1 Plan with a service and distribution fee totaling 1%. The distributor will advance the first year's commission at the time of the sale and collect the distribution fee monthly based on the daily average AUM over the first year. The Company has agreed to reimburse the distributor for the commissions advanced and receives the monthly service and distribution fee in return. Fees collected may be higher or lower than the amounts advanced as AUM increases or decreases during the year based on the Fund's performance.

Distribution Costs

The Company incurs certain costs which include marketing, promotion, sales commissions and intermediary distribution costs, principally related to the administration and sale of shares of open-end mutual funds. These costs are expensed as incurred and the liabilities for these are included in distribution costs payable in the condensed consolidated statements of financial condition.

Sub-advisory Fees

Sub-advisory fees are either based on a predetermined percentage of net revenues (after certain expenses) or on the average net assets of the individual funds or based on the end of period assets of certain private wealth accounts and are recognized as expenses as the related services are performed. The sub-advisory fees are paid in the month following when they are earned. Sub-advisory fees which are sub-advised by GAMCO are included in payable to affiliates in the consolidated statements of financial condition. Sub-advisory fees which are sub-advised by Westwood Management Corporation are included in accrued expenses and other liabilities in the consolidated statements of financial condition.

Depreciation and Amortization

Fixed assets are recorded at cost and depreciated using the straight-line method over their estimated useful lives. The intangible asset, customer relationships, is included in Intangible assets, net in the condensed consolidated statements of financial condition and is being amortized over its estimated useful life using the straight-line method. Customer relationships consist of the KAMCO and Wilen acquisitions, with estimated useful lives of 9 years and 10 years, respectively.

Intangible Assets

Intangible assets are initially measured as the excess of the cost of the acquired business over the sum of the amounts assigned to assets acquired less the liabilities assumed. Intangible assets are tested for impairment at least annually as of November 30th and whenever certain triggering events occur. In assessing the recoverability of intangible assets, projections regarding estimated future cash flows and other factors are made to determine the fair value of the assets. If the book value exceeds the fair value of the assets, an impairment charge is recorded, corresponding to the amount by which the book value exceeds the fair value.

Contingent Consideration

In connection with asset purchases, the Company may incur contingent consideration obligations that require additional payments based on future events or the achievement of specified performance targets. The liability is recorded at fair value on the acquisition date and is subsequently remeasured at year-end and, if management deems it necessary, at each quarter-end reporting period, in accordance with Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*.

Changes in the fair value of contingent consideration are recognized in earnings unless they qualify as an adjustment to the purchase price under applicable accounting guidance. When the contingency is resolved, any payments are recorded as an adjustment to the carrying value of the liability. If no payment is required, the liability is derecognized.

The Company assesses contingent consideration obligations quarterly, updating estimates based on new information regarding the likelihood and amount of future payments.

Income Taxes

Income tax expense or benefit is based on pre-tax financial accounting income, including adjustments made for the recognition or derecognition related to uncertain tax positions. The recognition or derecognition of income tax benefit related to uncertain tax positions is determined under the guidance as prescribed by GAAP. Deferred tax assets and liabilities are recognized for the future tax attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be recovered or concluded. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date.

The Company records uncertain tax positions in accordance with Accounting Standards Codification ("ASC") Topic 740, "Income Taxes", on the basis of a two-step process whereby (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 expense on the condensed consolidated statements of operations. Accrued interest and penalties on uncertain tax positions are included within accrued expenses and other liabilities in the condensed consolidated statements of financial condition.

Fair Value Measurement

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

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 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.
- Net asset value per share is utilized as a practical expedient to estimate the fair value of certain investments in hedge funds, which do not have readily determinable fair values. Investments that are measured at fair value using net asset value per share as a practical expedient are not classified in the fair value hierarchy.

Earnings Per Share

Basic earnings per share is based on the weighted-average number of common shares outstanding during each period, less unvested restricted stock. Fully diluted earnings per share is based on basic shares plus the effect of any dilutive shares from the unvested restricted stock using the treasury stock method.

Stock Based Compensation

The Company uses a fair value-based method of accounting for stock-based compensation provided to employees. The estimated fair value of the restricted stock award ("RSA") grants is determined by using the closing price of Class A Common Stock on the date of the grant. The total expense is recognized over the vesting period for these awards.

Contingent Deferred Sales Commissions

Sales commissions are paid to broker-dealers in connection with the sale of TETON Westwood Funds' Class C shares. These commissions are capitalized and amortized over a period of one year, based upon the period of time during which deferred sales commissions are expected to be recovered from distribution plan payments received from those Funds and from contingent deferred sales charges received from shareholders of those Funds upon redemption of their shares. Distribution plan payments received from these Funds are recorded in revenue as earned. Contingent deferred sales charges and early withdrawal charges received from redeeming shareholders of these funds are generally applied to reduce the Company's unamortized deferred sales commission assets. Should the Company lose its ability to recover such sales commissions through distribution plan payments and contingent deferred sales charges, the value of these assets would immediately decline, as would future cash flows. The amortization of these charges is included in advanced commissions on the condensed consolidated statements of operations.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents held. The Company maintains cash equivalents in U.S. Treasury Bills with maturities of three months or less and Gabelli U.S. Treasury Money Market Fund, which invests fully in instruments issued by the U.S. government. The concentration of credit risk with respect to advisory fees receivable is generally limited due to the short payment terms extended to clients by the Company.

Business Segments

The Company operates in one business segment, the investment advisory and asset management business.

Allowance for Credit Losses

Accounting for Financial Instruments - Credit Losses (Topic 326) ("ASU 2016-13"), was adopted by the Company in 2022 and impacts the impairment model for certain financial assets by requiring a current expected credit loss ("CECL") methodology to estimate expected credit losses over the life of the financial asset. The Company records the estimate of expected credit losses as an allowance for credit losses. For financial assets measured at an amortized cost basis the allowance for credit losses is reported as a valuation account on the consolidated statements of financial condition that is deducted from the asset's amortized cost. Changes in the allowance for credit losses are reported in credit loss expense on the condensed consolidated statements of operations.

The Company identified advisory fees and other receivables (including, but not limited to, receivables related to fund reimbursements) as impacted by the guidance. The allowance for credit losses is based on the Company's expectation of the collectability of financial assets including fees receivable and due from affiliates utilizing CECL framework. The Company considers factors such as historical experience, credit quality, age of the balances and economic condition that may affect the Company's expectation of collectability in determining the allowance for credit losses. The Company's expectation is that the credit risk associated with the receivables is not significant until they reach 90 days past due based on the contractual arrangement and expectation of collection.

As of March 31, 2025 and December 31, 2024, the Company did not provide an allowance for or experience any credit losses related to any fees or receivables.

Recent Accounting Developments

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280)*, which improves reportable segment disclosure requirements. This standard requires 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 Company adopted ASU 2023-07 during the year ended December 31, 2024, and the guidance is applied retrospectively to all periods presented in the financial statements, unless it is impractical. See footnote C, Segment Reporting, in the accompanying notes to the consolidated financial statements for further details.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments require disclosure of specific categories in rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold and further disaggregation of income taxes paid for individually significant jurisdictions. The ASU is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact that this guidance will have on the disclosures within our consolidated financial statements.

B. Acquisition and Intangible Assets

Acquisition

On August 5, 2024, Teton completed an asset acquisition of Wilen Investment Management Corp. ("Wilen"), a company providing investment management services. At the time of acquisition, Wilen had combined AUM of approximately $109 million. The transaction was accounted for as an asset acquisition in accordance with ASC 805, *Business Combinations*.

The purchase price is 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. The Company is required to make quarterly payments to the seller, 45 days after each quarter-end, based on an agreed-upon payout framework. The fair value of the 10-year earnout at the acquisition date was approximately $2,757,000, which was attributed to an intangible asset—Customer Relationships and will be amortized over 10 years and is included in Intangible assets, net on the condensed consolidated statement of financial condition. At the time of the acquisition, the company also recorded a corresponding liability for the earnout which was approximately $2,757,000 and is included in contingent consideration on the condensed consolidated statement of financial condition. The earnout could potentially be considerably higher or lower due to uncertain market conditions related to the acquired assets.

Intangible Assets

Intangible assets represent the acquisition-date fair value of customer relationships, mutual fund management contracts, and trade name assets acquired. Customer relationships are classified as long-lived assets and will be amortized over a range of a 9-10 year period, while the mutual fund management contracts and trade name assets are classified as indefinite-lived assets.

All these intangible assets are tested for impairment at least annually. Annual impairment testing involves determining the fair value, or recoverable amount, of the intangible asset and comparing this to the carrying value. The measurement of the recoverable amount of each intangible asset was calculated based on the higher of the reporting fair value less costs to sell or value in use, which are Level 3 measurements within the fair value hierarchy.

Intangible assets are presented net of amortization, where applicable, and are tested for impairment at least annually.

The following is a summary of intangible assets on March 31, 2025:

	Weighted Average Amortization Period (years)	Gross Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount
Customer relationships	9 - 10	10,117,000	(4,660,060)	(2,585,000)	2,871,940
Mutual fund management contracts		12,600,000	-	(11,000,000)	1,600,000
Trade name		1,520,000	-	(1,237,000)	283,000
		$ 24,237,000	$ (4,660,060)	$ (14,822,000)	$ 4,754,940

Amortization expense for customer relationships for the quarters ended March 31, 2025 and December 31, 2024 was $150,399 and $150,400, respectively.

The following is a summary of intangible assets on December 31, 2024:

	Weighted Average Amortization Period (years)	Gross Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount
Customer relationships	9 - 10	10,117,000	(4,509,661)	(2,585,000)	$ 3,022,339
Mutual fund management contracts		12,600,000	-	(11,000,000)	1,600,000
Trade name		1,520,000	-	(1,237,000)	283,000
		$ 24,237,000	$ (4,509,661)	$ (14,822,000)	$ 4,905,339

Estimated amortization expense for customer relationships and customer list over its estimated life is as follows:

For the year ended December 31,	**Total**
2025 (excluding the first three months ended March 31, 2025)	$ 451,199
2026	330,016
2027	275,700
2028	275,700
Thereafter	1,539,325
Total	$ 2,871,940

C. Segment Reporting

The Company operates as a single reportable segment, specializing in investment advisory services. The Company provides asset management services to institutional and retail investors, offering various strategies and asset classes. The Company has identified the CEO as the chief operating decision maker ("CODM").

The CODM uses net income to set budgets, evaluate margins, review actual results and in deciding whether to pursue acquisitions, pay dividends and/or engage in other capital management transactions. 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 A, Significant Accounting Policies.

Total assets included in the consolidated statements of financial condition represent the total assets of our single reportable segment. Significant expense categories included in consolidated net income that are regularly provided to the CODM include compensation, marketing and administrative fees, distribution expenses, advanced commissions, sub-advisory fees, and other operating expenses, each as presented on the accompanying consolidated statements of operations.

Information regarding revenue by product type, significant expenses and consolidated net income is as follows:

	Quarter Ended March 31, 2025	Quarter Ended March 31, 2024
Revenues		
Investment advisory fees		
Open-end mutual funds, net	$ 1,582,104	$ 1,883,621
Separate accounts	194,837	210,813
Private clients	666,981	361,456
Wrap	57,909	40,489
UMA	12,033	6,600
Total investment advisory fees, net	2,513,864	2,502,979
Distribution fees	922	2,798
Total revenues	2,514,786	2,505,777
Less:		
Compensation	1,307,845	1,307,675
Marketing and administrative fees	24,045	39,244
Distribution expenses	228,048	350,150
Advanced commissions	1,136	2,839
Sub-advisory fees	298,584	308,781
Other operating expenses	490,633	441,632
Other segment items (1)	(107,967)	(242,705)
Net income	$ 272,462	$ 298,161

(1) Other segment items include unrealized gain(loss) on investments, dividend and interest income, depreciation and amortization, impairment of intangible assets, and income tax benefit.

D. Fair Value Measurement

The following table presents information about the Company's assets by major categories measured at fair value on a recurring basis as of March 31, 2025 and December 31, 2024, respectively, 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 March 31, 2025

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value	Balance as of March 31, 2024
Cash equivalents	$ 22,193,033	$ -	$ -	$ -	$ 22,193,033
Investments in securities:					
Mutual funds	1,731,864	-	-	-	1,731,864
Hedge funds	-	-	-	1,180,819	1,180,819
Total investments in securities	1,731,864	-	-	1,180,819	2,912,683
Total assets, at fair value	$ 23,924,897	$ -	$ -	$ 1,180,819	$ 25,105,716

Liabilities Measured at Fair Value on a Recurring Basis as of March 31, 2025

Liabilities	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value	Balance as of March 31, 2024
Contingent consideration [1]	$ -	$ -	$ 1,922,940	$ -	$ 1,922,940

(1) The fair value of contingent consideration is classified as Level 3 in the fair value hierarchy due to the use of significant unobservable inputs. During the three months ended March 31, 2025, the Company made a contingent consideration payment of $109,060. The Company did not engage an independent valuation specialist to update the fair value of the contingent consideration liability as of March 31, 2025. This decision was based on the fact that the underlying AUM supporting the contingent consideration calculation did not experience a material change from the prior year-end. Accordingly, management concluded that the carrying amount of the contingent consideration liability continues to reasonably approximate fair value.

Assets Measured at Fair Value on a Recurring Basis as of December 31, 2024

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value	Balance as of December 31, 2024
Cash equivalents	$ 22,048,994	$ -	$ -	$ -	$ 22,048,994
Investments in securities:					
Mutual funds	1,725,438	-	-	-	1,725,438
Hedge funds	-	-	-	1,161,948	1,161,948
Total investments in securities	1,725,438	-	-	1,161,948	2,887,386
Total assets, at fair value	$ 23,774,432	$ -	$ -	$ 1,161,948	$ 24,936,380

Liabilities Measured at Fair Value on a Recurring Basis as of December 31, 2024

Liabilities	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value	Balance as of December 31, 2024
Contingent consideration [1]	$ -	$ -	$ 2,032,000	$ -	$ 2,032,000

(1) The fair value of contingent consideration is classified as Level 3 in the fair value hierarchy due to the use of significant unobservable inputs. The fair value was estimated using the discounted cash flow method, incorporating probability-weighted scenarios and a discount rate range of 5.7% to 6.74%. The fair value of the contingent consideration as of December 31, 2024, prior to remeasurement, was $2,683,947. Based on an assessment by independent valuation consultants, the remeasured fair value of the liability was determined to be $2,032,000, resulting in a decrease of $651,947. This reduction is recorded as a non-cash fair value adjustment included in Investment and Other Income on the consolidated statement of operations. Actual valuation date of November 30, 2024.

Cash equivalents primarily consist of U.S. Treasury Bills with maturities of three months or less at the time of purchase as well as an affiliated money market fund and is invested solely in U.S. Treasuries and valued based on the net asset value of the fund. There were no transfers between any levels during the three months ended March 31, 2025 or for the year ended December 31, 2024.

Mutual funds that are traded on public exchanges are fair valued at the reported net asset value per share at the end of the year. Hedge funds are not traded on public exchanges and are valued by using the net asset value at the end of the year as a practical expedient. The Company's hedge fund investment is a merger arbitrage strategy which has no commitments and a 30 days' notice on monthly redemptions.

E. Contingent Consideration

On August 5, 2024, Teton completed the asset acquisition of Wilen Investment Management Corp. ("Wilen"), an investment management firm with approximately $109 million in assets under management ("AUM") at the time of acquisition. The transaction was accounted for as an asset acquisition in accordance with ASC 805, Business Combinations.

As part of the purchase price consideration, the Company is required to make contingent payments to the seller based on a 10-year earnout of advisory fees generated from the acquired assets. No payment was required at the initial closing of the transaction. Instead, Teton will make quarterly payments to the seller, due 45 days after the end of each quarter, in accordance with an agreed-upon payout framework.

As of March 31, 2025, the balance of the contingent consideration was $1,922,940. During the first quarter of 2025, the Company made one earnout payment of $109,060.

F. Income Taxes

The provision for income taxes consisted of the following:

	Three months ended March 31, 2025	2024
Federal:		
Current	$ -	$ -
Deferred	54,099	56,174
State and local:		
Current	3,082	3,082
Deferred	(71,519)	(89,974)
Total	$ (14,338)	$ (30,718)

A reconciliation of the Federal statutory income tax rate to the effective tax rate is set forth below:

	Three months ended March 31, 2025	2024
Statutory Federal income tax rate	21.0%	21.0%
State income tax, net of Federal benefit	6.0%	12.2%
Other	(32.6%)	(44.7%)
Effective income tax rate	-5.6%	-11.5%

Significant components of the Company's deferred tax assets and liabilities are as follows:

	March 31, 2025	December 31, 2024
Deferred tax assets:		
Deferred compensation	$ 38,885	$ 35,894
Impairment of intangible assets	3,701,774	3,701,774
Capitalized acquisition costs	46,945	48,642
Fixed assets	4,346	4,242
Accrued bonus	210,475	310,350
State NOL	79,743	4,039
Other	46,777	28,784
Total deferred tax assets	4,128,945	4,133,725
Deferred tax liabilities:		
Contingent deferred sales commission	(994)	(675)
Unrealized gain/loss on mutual fund	(67,822)	-
Non-cash fair value adjustment of contingent consideration	(169,609)	(169,609)
Amortization of intangible assets	(1,481,714)	(1,421,234)
Other	(7,322)	(68,610)
Total deferred tax liabilities	(1,727,461)	(1,660,128)
Net deferred tax (liability) / asset	$ 2,401,484	$ 2,473,597

As of March 31, 2025 and December 31, 2024, the Company's gross unrecognized tax benefits were $345,046 and $415,448, respectively, of which $272,586 and $328,205, if recognized, would affect the Company's effective tax rate.

As of March 31, 2025 and December 31, 2024, the net liability for unrecognized tax benefits related to uncertain tax positions was $512,181 and $599,139, respectively, and is included in accrued expenses and other liabilities in the condensed consolidated statements of financial condition.

The Company recognizes both interest and penalties with respect to unrecognized tax benefits as income tax expense. As of March 31, 2025, and December 31, 2024, the Company had accrued a gross liability of $295,028 and $330,542, respectively, related to interest and penalties. The accrued amounts of interest and penalties are included in accrued expenses and other liabilities in the condensed consolidated statements of financial condition.

As of March 31, 2025, management has not identified any potential material subsequent events that could have a significant impact on unrecognized tax benefits within the next twelve months.

G. Leases

The Company reviews new arrangements at inception to evaluate whether we obtain substantially all the economic benefits of and have the right to control the use of an asset. If we determine that an arrangement qualifies as a lease, we recognize a lease liability and a corresponding asset on the lease's commencement date. The lease liability is initially measured at the present value of the future minimum lease payments over the lease term using the rate implicit in the arrangement or, if not available, our incremental borrowing rate. An operating lease asset is measured initially at the value of the lease liability but excludes initial direct costs incurred. Additionally, certain of our leases contain options to extend or terminate the lease term that, if exercised, would result in the remeasurement of the operating lease liability.

Our operating leases contain both lease and non-lease components. Non-lease components are distinct elements of a contract that are not related to securing the use of the lease assets, such as common area maintenance and other management costs. We elected for our real estate operating leases to measure the lease liability by combining the lease and non-lease components as a single lease component. As such, we included the fixed payments and any payments that depend on a rate or index that relate to our lease and non-lease components in the measurement of the operating lease liability.

We recognize lease expense on a straight-line basis over the lease term. Operating lease expense is recognized as part of other operating expenses in our consolidated statements of operations. All of our leases are operating leases and primarily consist of real estate leases for our corporate offices in Chicago, IL as well as general office equipment leases. As of March 31, 2025, the weighted-average remaining lease term on these leases is approximately 0.95 of a year and the weighted-average discount rate used to measure the lease liabilities varies from lease to lease which ranges from 7.5% to 8.0%.

Our operating lease expense for the three months ended March 31, 2025 and 2024, was $35,359 and $36,905, respectively. We made lease payments of $35,359 and $36,905 during the three months ended March 31, 2025 and 2024, respectively.

Our future undiscounted cash flows related to our operating leases and the reconciliation to the operating lease liability as of March 31, 2025, are as follows:

	Lease liabilities
2025 (excluding the first three months ended March 31)	$ 106,076
2026	3,648
2027	3,648
2028	608
Total future undiscounted cash flows	113,980
Less: imputed interest to be recognized in lease expense	(3,739)
Operating lease liabilities, as reported	$ 110,241

G. Equity

Voting Rights

The holders of Class A common stock and Class B common stock have identical rights except that (i) holders of Class A common stock are entitled to one vote per share, while holders of Class B common stock are entitled to ten votes per share on all matters to be voted on by stockholders in general, and (ii) holders of Class A common stock are not eligible to vote on matters relating exclusively to Class B common stock and vice versa. Class B holders are entitled to convert their shares into Class A shares at any time on a one-for-one basis.

Stock Based Compensation

For the three months ended March 31, 2025 and 2024, the Company recorded stock-based compensation expense related to RSAs of $11,497 and $84,196 respectively.

No RSA's have vested for the three month period ended March 31, 2025 and 2024, respectively. As of March 31, 2025, 17,500 RSAs remain unvested.

H. Related Party Transactions

The following is a summary of certain related party transactions:

Mario J. Gabelli ("Mr. Gabelli") is the controlling stockholder of Teton through the shares he owns in his name and through his control of GGCP Holdings LLC, a wholly owned subsidiary of GGCP, Inc. Mr. Gabelli owned approximately 24.9% of Teton's Class A and B shares and GGCP Holdings LLC owned approximately 41.1% of Teton's Class A and B shares as of March 31, 2025.

Teton holds a portion of its cash equivalents in the Gabelli U.S. Treasury Money Market Fund ("GUSTO"), which is managed by Gabelli Funds, LLC ("Gabelli Funds"). Gabelli Funds is owned 100% by GAMCO Investors, Inc. ("GAMCO"), a majority-owned subsidiary of GGCP, Inc. At March 31, 2025, and December 31, 2024, Teton had $14,783,092 and $14,725,587, respectively, invested in this money market fund included in cash and cash equivalents on the condensed consolidated statements of financial condition. For the quarters ended March 31, 2025 and 2024 the fund earned interest income of $150,928 and $170,624 respectively, which is included in investment and other income on the condensed consolidated statements of operations. The Company has compared the GUSTO Fund to certain other money market funds and feels that it is an attractive investment option, considering the quality of underlying U.S. Treasury securities and its low expense ratio whereby total expenses are capped at 0.08%.

The Company invests in the Gabelli ABC Fund, which is a mutual fund managed by Gabelli Funds, LLC. The fair value of the Company's investment was $1,731,864 and $1,725,438 as of March 31, 2025 and December 31, 2024, respectively, included in investments of securities on the condensed consolidated statements of financial condition. The investment had an unrealized gain of $6,426 and $26,042 for the quarters ended March 31, 2025 and 2024, respectively, which is included in unrealized gain on investments on the consolidated statements of operations.

The Company invests in the Gabelli Associates Fund II, LP, which is a hedge fund managed by Gabelli & Company Investment Advisers, Inc., which is owned by GAMCO. The fair value of the Company's investment was $1,180,819 and $1,161,948 as of March 31, 2025, and December 31, 2024, respectively, included in investments of securities on the condensed consolidated statements of financial condition. The investment had unrealized gain of $18,871 and $12,370 for the three months ended March 31, 2025 and 2024, respectively, which is included in unrealized gain on investments on the consolidated statements of operations.

The Company has two sub-advisory fee agreements with GAMCO. The first agreement pays a sub-advisory fee at an annualized rate of 0.32% of the average net assets of the TETON Westwood Mighty Mites Fund. The sub-advisory fees were $169,142 and $259,470, respectively, for the quarter ended March 31, 2025 and 2024, and is included in sub advisory fees on the consolidated statements of operations. The second agreement pays a sub-advisory fee at an annualized rate of 0.35% on billable net assets related to private client accounts associated with the Wilen acquisition. Sub-advisory fees were $82,098 and zero for the quarter ended March 31, 2025 and 2024, respectively. These amounts are included in sub-advisory fees on the condensed consolidated statements of operations.

The Company has a marketing and administrative fee agreement with GAMCO which is based on the average net assets of the TETON Westwood Funds. The marketing and administrative fees paid to GAMCO were $24,045 and $39,244 for the quarters ended March 31, 2025 and 2024, respectively, and is included in marketing and administrative fees on the condensed consolidated statements of operations.

Teton and GAMCO have a transitional administrative and management services agreement whereby GAMCO provides various operational and management services. Under the agreement, Teton paid GAMCO $12,500 for each of the quarters ended March 31, 2025 and 2024, respectively, and is included in other operating expenses on the condensed consolidated statements of operations.

At March 31, 2025 and December 31, 2024, the amounts payable to GAMCO for the services described above were $151,188 and $164,806, respectively, and is included in the payable to affiliates on the condensed consolidated statement of financial condition.

G.distributors, a subsidiary of GAMCO, serves as the principal distributor for the Funds. Teton has a mutual fund distribution services agreement with G.distributors for general oversight, compliance and registration activities related to the distribution of the Keeley Funds. The fees related to the distribution services agreement were $45,000 for the quarters ended March 31, 2025 and 2024, respectively, and is included in distribution costs on the condensed consolidated statements of operations.

The Company pays G.distributors distribution sales fees which include wholesaler commissions, certain promotional costs, third-party mutual fund platform fees and wholesaler reimbursements related to the sales of its funds. These distribution sales fees were $86,718 and $150,267 for the quarters ended March 31, 2025 and 2024, respectively, which is included in distribution costs on the condensed consolidated statements of operations. As of June 30, 2024, Teton ended the distribution sales agreement with G.distributors, however, the Company still pays administrative service fees.

At March 31, 2025 and December 31, 2024, the amounts payable to G.distributors for the items described above were $15,700 and $15,680 respectively, and are included in the payable to affiliates on the condensed consolidated statement of financial condition.

Teton receives distribution fee income from G.distributors on the TETON Westwood Funds' Class C shares sold. For the quarters ended March 31, 2025 and 2024 distribution fees were $922 and $2,798, respectively, which is included in distribution fees on the condensed consolidated statement of operations. At March 31, 2025, and December 31, 2024, the amounts receivable from G.distributors for the distribution fee income were $320 and $350, respectively, included in receivable from affiliates on the condensed consolidated statement of financial condition.

The Company rents office space from Mason Partners, LLC, an affiliate of the Company's Chairman. The lease expenses were $11,955 for the three months ended March 31, 2025 and 2024, respectively, which is included in other operations expenses on the condensed consolidated statements of operations.

I. Earnings Per Share

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

	Three Months Ended March 31,	
	2025	**2024**
Basic:		
Net income attributable to Teton shareholders	$ 272,462	$ 298,161
Weighted average shares outstanding	1,609,499	1,599,440
Basic net income per share	$ 0.17	$ 0.19
Fully diluted:		
Net income attributable to Teton shareholders	$ 272,462	$ 298,161
Weighted average shares outstanding	1,613,190	1,623,172
Fully diluted net income per share	$ 0.17	$ 0.18

J. Revenue

Revenue Recognition

Revenues are recognized when the performance obligation (the investment management and advisory services provided to the client) defined by the investment advisory agreement is satisfied. For each performance obligation, we determine at contract inception whether the revenue satisfies over time or at a point in time. We derive our revenues from investment advisory fees, distribution fees and other income. Advisory fees are calculated based on a percentage of assets under management and the performance obligation is realized over the current month or calendar quarter. Once clients receive our investment advisory services, we have an enforceable right to payment.

Advisory Fee Revenues

Our advisory fees are generated by Teton LLC and Keeley-Teton, which manage client accounts under investment advisory agreements. Advisory fees are typically calculated based on a percentage of assets under management and are paid in accordance with the terms of the agreements.

For mutual funds, advisory fees are accrued daily, based upon each mutual fund's daily net assets. For other accounts, advisory fees are paid either quarterly in advance based on assets under management on the last day of the preceding quarter, or quarterly in arrears based on assets under management on the last day of the quarter just ended, subject to adjustment. We recognize advisory fee revenues as services are rendered. Since our advance paying clients' billing periods coincide with the calendar quarter to which such payments relate, revenue is recognized within the quarter and our consolidated financial statements contain no deferred advisory fee revenues. Advisory clients typically consist of institutional and mutual fund accounts.

Mutual fund advisory fee revenue is net of related fund expense reimbursements. Fund expense reimbursements for the three months ended March 31, 2025 and 2024 were $308,879 and $331,473, respectively, which is included in investment advisory fees – mutual funds, net on the condensed consolidated statements of operations.

Institutional investor accounts typically consist of corporate pension and profit-sharing plans, public employee retirement funds, Taft Hartley plans, endowments, foundations, and individuals. Mutual funds include the TETON Westwood Funds, a family of mutual funds for which Teton Advisors, LLC serves as advisor, and the KEELEY Funds, a family of mutual funds for which Keeley-Teton Advisors, LLC serves as advisor. These funds are available to individual investors, as well as, offered as part of our investment strategies for institutional investors and private wealth accounts.

Revenue Disaggregated

The following tables presents our revenue disaggregated by account type for the three months ended March 31, 2025, and 2024, respectively:

	For The Three Months Ended March 31,		**Increase (decrease)**	
(Unaudited)	**2025**	**2024**	**$**	**%**
Investment advisory fees				
Open-end mutual funds, net	$ 1,582,104	$ 1,883,621	$ (301,517)	-16.0%
Separate accounts				
Institutional	194,837	210,813	(15,976)	-7.6%
Private clients	666,981	361,456	305,525	84.5%
Wrap	57,909	40,489	17,420	43.0%
UMA	12,033	6,600	5,433	82.3%
Total separate accounts	931,760	619,358	312,402	50.4%
Total investment advisory fees, net	2,513,864	2,502,979	10,885	0.4%
Distribution fees	922	2,798	(1,876)	-67.0%
Total revenues	$ 2,514,786	$ 2,505,777	$ 9,009	0.4%

K. Commitments and Contingencies

In the ordinary course of business, the Company may enter into contracts or agreements that contain indemnifications or warranties. Future events could occur that lead to the execution of these provisions against the Company. Based on its history and experience, the Company believes that the likelihood of any such event is remote.

L. Subsequent Events

On May 1, 2025, the Company completed a transaction in which it sold the investment management account assets of its wholly owned subsidiary, Keeley-Teton, to GAMCO. The transaction proceeds are tied to performance over a five-year period and are expected to total at least $11.5 million.

MANAGEMENT'S DISCUSSION OF OPERATIONS

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and the notes thereto included in this report.

Introduction

Our revenues are highly correlated to the level of assets under management ("AUM") and fees associated with our various investment products, rather than our own corporate assets. AUM, which is directly influenced by the level and changes of the overall equity markets, can fluctuate through acquisitions, the creation of new products, the addition of new accounts or the loss of existing accounts. Since various equity products have different fees, changes in our business mix may also affect revenues. At times, the performance of our equity products may differ markedly from popular market indices, and this can also impact our revenues. It is our belief that general stock market trends will have the greatest impact on our level of AUM and hence, revenues.

Risk Factors

There have been no material changes to the risk factors previously disclosed in our Annual Report for the year ended December 31, 2024. For a discussion of our potential risks and uncertainties, see the information under the heading "Risk Factors" in our Annual Report for the year ended December 31, 2024, which is accessible through the Company's website at TetonAdv.com.

Assets Under Management Highlights

The following table sets forth total AUM by product type as of the dates shown:

						% Δ From	
	3/24	6/24	9/24	12/24	3/25	3/24	12/24
($ in millions)							
Mutual Funds							
Equities	$ 952	$ 881	$ 883	$ 809	$ 750	-21.2%	-7.3%
Institutional, Private Wealth, Wrap & UMA	419	410	524	544	509	21.5%	-6.4%
Total Assets Under Management	$ 1,371	$ 1,291	$ 1,407	$ 1,353	$ 1,259	-8.2%	-6.9%
Quarterly Average Assets Under Management	$ 1,322	$ 1,313	$ 1,366	$ 1,426	$ 1,334	0.9%	-6.5%

The following tables set forth asset appreciation and net flows for the three-month period ended March 31, 2025:

($ in millions)	December 31, 2024	Appreciation / (depreciation)	Net flows	March 31, 2025
Mutual Funds				
Equities	$ 809	$ (45)	$ (14)	$ 750
Institutional, Private Wealth, Wrap & UMA	544	(20)	(15)	509
	$ 1,353	$ (65)	$ (29)	$ 1,259

AUM was $1.259 billion at March 31, 2025, a decrease of 6.9% from $1.353 billion at December 31, 2024. The decrease was due to net outflows of $29 million and asset depreciation of $65 million. Average AUM was $1.334 billion for the first quarter 2025, an increase of 0.9% from $1.322 billion in the first quarter 2024.

Operating Results for the Three Months Ended March 31, 2025, as Compared to the Three Months Ended March 31, 2024

Revenues

Total revenues were $2,514,789 in the first quarter of 2025, an increase of $9,009 or 0.4% from the total revenues of $2,505,777 for the same period in the prior year. The change in total revenues by revenue component was as follows:

	For The Three Months Ended March 31,		Increase (decrease)	
(Unaudited)	2025	2024	$	%
Investment advisory fees				
Open-end mutual funds, net	$ 1,582,104	$ 1,883,621	$ (301,517)	-16.0%
Separate accounts				
Institutional	194,837	210,813	(15,976)	-7.6%
Private clients	666,981	361,456	305,525	84.5%
Wrap	57,909	40,489	17,420	43.0%
UMA	12,033	6,600	5,433	82.3%
Total separate accounts	931,760	619,358	312,402	50.4%
Total investment advisory fees, net	2,513,864	2,502,979	10,885	0.4%
Distribution fees	922	2,798	(1,876)	-67.0%
Total revenues	$ 2,514,786	$ 2,505,777	$ 9,009	0.4%

Investment Advisory Fees, net: Investment advisory fees are directly influenced by the level and mix of AUM. The Company earns advisory fees based on the average daily AUM in the Funds as well as for separate accounts (i.e. institutional accounts, private wealth accounts, wrap accounts and UMA's) based on the average of the ending account values for each month of the quarter or the account value as of the end of the preceding quarter.

Mutual fund investment advisory fees, net of mutual fund expense reimbursements, for the three months ended March 31, 2025 and 2024 were $1,582,104 and $1,883,621, respectively, a decrease of $301,517 or 16.0%. Average AUM for the Funds were $798.6 million for the quarter ended March 31, 2025 compared to $925.6 million for the quarter ended March 31, 2024, a decrease of $127.0 million or 13.7%.

Separate account investment advisory fees for the three months ended March 31, 2025 and 2024 were $931,760 and $619,358, respectively, an increase of $312,402 or 50.4%. Average billable AUM for separate accounts was $535.2 million for the quarter ended March 31, 2025 compared to $396.6 million for the quarter ended March 31, 2025, an increase of $138.6 million or 35.0%. The increase in fees and AUM was directly related to the Wilen asset acquisition on August 5, 2024.

Distribution Fees: Distribution fees include fees paid to the Company by G.distributors on the AUM of the TETON Westwood branded funds' Class C shares sold. Distribution fee income for the three months ended March 31, 2025 and 2024 were $922 and $2,798, respectively, a decrease of $1,876 or 67.0%. The decrease is directly related to the decrease in TETON Westwood branded funds' Class C shares sold.

Expenses

Compensation: Compensation costs, which include salaries, portfolio manager compensation, bonuses, benefits, director fees and stock-based compensation, were $1,307,845 for the first quarter of 2025, an increase of $170 from $1,307,675 in the prior year comparative period.

Fixed compensation costs, which include salary, benefits and director fees, were $794,166 for the first quarter of 2025, a decrease of $71,379 or 9.9% from $722,787 in the prior year comparative period.

Stock based compensation for the first quarter of 2025 and 2024 was $11,498 and $84,196, respectively, a decrease of $72,698 or 86.3%. The decrease relates to the vesting of RSA's in the prior year.

The remainder of the compensation expenses represents variable compensation that includes bonuses, executive compensation, along with revenue sharing that fluctuates with net investment advisory revenues. For the first quarter of 2025, variable compensation was $502,181, an increase of $1,489 or 0.3% from $500,692 in the prior year comparative period.

Sub-advisory Fees: The Company retains a sub-adviser for four of the TETON-branded funds, while all the Keeley-branded funds are managed in-house. The TETON Westwood Convertible Securities Fund is sub-advised; however, no sub-advisory fees have been charged August 31, 2023.

Sub-advisory fees for the TETON Westwood Equity Fund and TETON Westwood Balanced Fund are 35% of net investment advisory revenues. The TETON Westwood Mighty Mites Fund sub-advisory fees are 32 basis points on net assets. Sub-advisory fees paid to GAMCO relate to certain private client assets of the Wilen portfolios and are charged at an annual rate of 0.35% of the billable net assets. All sub-advisory fees are recognized as expenses as the related services are performed. Sub-advisory fees for the first quarter ended March 31, 2025 and 2024 were $298,584 and $308,781, respectively, a decrease of $10,197 or 3.3%.

The decrease was mostly due to the reduction in average AUM in the sub-advised mutual funds. Specifically, average AUM in the sub-advised mutual funds was $402.9 million for the first quarter of 2025, a decrease of $4.9 million or 1.2% from 407.8 million in the prior year comparative period.

Distribution Costs: Distribution, intermediary and shareholder service costs, which are primarily related to the sale of shares of the Funds, net of related reimbursements, were $228,048 for the first quarter of 2025, a decrease of $122,102 or 34.9% from $350,150 in the prior year comparative period. The decrease can be attributed to both the reduction in AUM related to our mutual funds which decreased 21.2% from the prior year period as well as the termination of the sales agreement with G.distributors which occurred on June 30, 2024.

Distribution costs including wholesaler payouts and payments made to third party distributors for Funds sold through them, including their no transaction fee programs were 181,012 for the first quarter of 2025, a decrease of $122,556 or 40.4% from the prior year comparative period amount of $303,568.

The remaining distribution costs include distribution service fees with G.distributors. These distribution costs for the quarter ended March 31, 2025, and 2024 were $47,036 and $46,582, respectively, a decrease of $454 or 1.0%.

Marketing and Administrative Fees: Marketing and administrative fees are charges from GAMCO for administration of the mutual fund activities performed by GAMCO on behalf of the TETON Westwood branded funds, based on the average AUM in the Funds. Marketing and administration fees were $24,045 for the quarter ended March 31, 2025 compared to $39,244 for the quarter ended March 31, 2024, a decrease of $15,199 or 38.7% from the prior year period.

Advanced Commissions: Advanced commission expense was $1,136 for the first quarter of 2025 and $2,839 in the prior year comparative period, a decrease of $1,703 or 60.0%.

Other Operating Expenses: Other operating expenses, including those charged by GAMCO and incurred directly, were $490,633 for the first quarter of 2025, an increase of $49,001 or 11.1% from $441,632 in the prior year comparative period.

Investment and other income

Other Income, net: Other income, net includes unrealized gains and losses on investments, interest income earned from cash equivalents which represents investments in a the Gabelli U.S. Treasury Money Market Fund and interest earned on U.S. Treasury Bills. Other income, net for the three months ended March 31, 2025 and 2024 was $244,430 and $293,863, respectively, a decrease of $49,433 or 16.8%. This decrease was primarily due to lower interest rates earned on cash equivalent investments in short-term U.S. Treasury Bills and the Gabelli U.S. Treasury Money Market Fund.

Depreciation and amortization: Depreciation and amortization expense was $150,801 for the first quarter of 2025, an increase of $68,925 or 84.2% from $81,876 for the prior year comparative period. The increase was due to the additional amortization related to the intangible asset - customer list that was acquired in August 2024.

Income Taxes

The effective tax rate was (5.6%) and (11.5%) for the quarters ended March 31, 2025, and 2024, respectively. The negative effective tax rates relate to the reversal of prior years' FIN 48 accrual of approximately $90,000 and $120,000 for the quarter ended March 31, 2025 and 2024

Net Income

Net income for the first quarter of 2025 was $272,462 or $0.17 per fully diluted share, versus a net income of $298,161 or $0.18 per fully diluted share, for the comparable period in 2024.

Supplemental Financial Information

As supplemental information, we provide a non-U.S. generally accepted accounting principles (“non-GAAP”) performance measure that we refer to as Cash Earnings. We provide this measure in addition to, but not as a substitute for net income reported on a U.S. generally accepted accounting principles (“GAAP”) basis. Our management and the Board of Directors review Cash Earnings to evaluate our ongoing performance, allocate resources and review our dividend policy. We believe that this non-GAAP performance measure is useful for management and investors when evaluating our underlying operating and financial performance and our available resources. We do not advocate that investors consider this non-GAAP measure without considering financial information prepared in accordance with GAAP.

In calculating quarterly Cash Earnings, we add back to net income the non-cash expense associated with intangible amortization expense incurred in connection with the KAMCO and Wilen acquisitions. Although depreciation on property & equipment and amortization of leaseholds are also non-cash expenses; we do not add it back when calculating Cash Earnings because those charges represent a decline in the value of the related assets that will ultimately require replacement.

The following table provides a reconciliation of net income to Cash Earnings for the periods presented:

	For the Quarter Ended March 31,	
	2025	2024
Net income	$ 272,462	$ 298,161
Add: Intangible amortization	150,399	81,475
Cash Earnings	$ 422,861	$ 379,636
Cash Earnings Per Fully Diluted Share	$ 0.26	$ 0.23

ITEM 5. LEGAL PROCEEDINGS

None.

ITEM 6. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 7. OTHER INFORMATION

Not applicable.

ITEM 8. EXHIBITS

Exhibit Number	Description of Exhibit
2.1	Articles of Organization of Teton Advisers LLC, dated September 14, 1994 (Incorporated by reference to Exhibit 2.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022).
2.2	Articles of Amendment to Articles of Organization of Teton Advisers LLC, dated November 7, 1997 (Incorporated by reference to Exhibit 2.2 to the Company's Form 1-SA filed with the SEC on September 28, 2022).
2.3	Certificate of Incorporation of Gabelli Advisers, Inc. dated December 31, 1997 (Incorporated by reference to Exhibit 2.3 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.4 Certificate of Merger of Gabelli Advisers LLC into Gabelli Advisers, Inc. dated January 28, 1998 (Incorporated by reference to Exhibit 2.4 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.5 Certificate of Amendment of Certificate of Incorporation of Gabelli Advisers, Inc. dated January 25, 2008 (Incorporated by reference to Exhibit 2.5 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.6 Amended and Restated Articles of Incorporation of Teton Advisors, Inc. dated as of January 22, 2009 (Incorporated by reference to Exhibit 2.6 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.7 Amendment to Amended and Restated Articles of Incorporation of Teton Advisors, Inc. dated as of February 6, 2017 (Incorporated by reference to Exhibit 2.7 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.8 Amendment to Amended and Restated Articles of Incorporation of Teton Advisors, Inc. dated as of May 18, 2017 (Incorporated by reference to Exhibit 2.8 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.9 Amendment to Amended and Restated Articles of Incorporation of Teton Advisors, Inc. dated as of May 24, 2022 (Incorporated by reference to Exhibit 2.9 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.10 Amended and Restated Bylaws of Teton Advisors, Inc. dated October 16, 2008 (Incorporated by reference to Exhibit 2.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

2.11 Amendment to Amended and Restated By-laws of Teton Advisors, Inc. dated February 2, 2017 (Incorporated by reference to Exhibit 2.11 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

4.1 Form of Subscription Rights Certificate (Incorporated by reference to Exhibit 4.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.1 Investment Advisory Agreement, dated October 6, 1994, by and between The Westwood Funds and Teton Advisers LLC (Incorporated by reference to Exhibit 6.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.2 Investment Sub-Advisory Agreement, dated October 6, 1994, by and between The Westwood Funds, Teton Advisers LLC and Westwood Management Corp (Incorporated by reference to Exhibit 6.2 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.3 Investment Advisory Agreement, dated February 25, 1997, by and between The Westwood Funds and Teton Advisers LLC (Incorporated by reference to Exhibit 6.3 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.4 Investment Advisory Agreement, dated May 11, 1998, by and between The Gabelli Westwood Funds and Gabelli Advisers, Inc (Incorporated by reference to Exhibit 6.4 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.5 Investment Sub-Advisory Agreement, dated March 1, 2017, by and between The TETON Westwood Funds, Teton Advisors, Inc. and Gabelli Funds, LLC (Incorporated by reference to Exhibit 6.5 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.6 Investment Advisory Agreement, dated October 1, 2018, by and between Keeley Funds, Inc. and Keeley-Teton Advisors, LLC (Incorporated by reference to Exhibit 6.6 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.7 Transitional Administrative and Management Services Agreement, dated February 19, 2009, by and between GAMCO Investors, Inc. and Teton Advisors, Inc (Incorporated by reference to Exhibit 6.7 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.8 Separation and Distribution Agreement, dated February 19, 2009, by and between GAMCO Investors, Inc. and Teton Advisors, Inc (Incorporated by reference to Exhibit 6.8 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.9 Service Mark and Name License Agreement, dated February 19, 2009, by and between GAMCO Investors, Inc. and Teton Advisors, Inc (Incorporated by reference to Exhibit 6.9 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.10 Mutual Fund Distribution Services Agreement, dated March 1, 2017, by and between Keeley-Teton Advisors, LLC and G.distributors, LLC (Incorporated by reference to Exhibit 6.10 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.11 Contribution Agreement, dated December 30, 2021, by and between Teton Advisors, Inc. and Teton Advisors, LLC (Incorporated by reference to Exhibit 2.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022) (Incorporated by reference to Exhibit 2.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.12 Lease Agreement, dated July 23, 2018, by and between Chicago BT Property, LLC and Keeley Teton Advisors, LLC (Incorporated by reference to Exhibit 2.1 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

6.13 Teton Advisors, Inc. Amended and Restated Stock Award and Incentive Plan (Incorporated by reference to Exhibit 6.13 to the Company's Form 1-SA filed with the SEC on September 28, 2022).

10.6 Employment Agreement, dated April 21, 2023, by and between the Company and Stephen G. Bondi.

ITEM 9. CERTIFICATIONS

Certification by the principal executive officers

I, Marc Gabelli, certify that:

1. I have reviewed this quarterly disclosure statement of Teton Investors, Inc.;

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: May 14, 2025

/s/ Marc Gabelli
Name: Marc Gabelli
Title: Chief Executive Officer (Principal Executive Officer)

Certification by the principal financial officer

I, Patrick Huvane, certify that:

1. I have reviewed this quarterly disclosure statement of Teton Investors, Inc.;

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: May 14, 2025

/s/ Patrick Huvane
Name: Patrick Huvane
Title: Chief Financial Officer (Principal Financial Officer)