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Zacks Small-Cap Research

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Beneficient

(BENF-NASDAQ)

BENF: F3Q25 Earnings – EPS Miss; Near-Term Holding Pattern on Growth

On an adjusted basis, BENF reported a net loss of $0.72 per Class A share based on our calculation vs. our $0.21 estimate. The miss primarily reflected lower revenues and higher expenses across Ben Liquidity, partially offset by lower corporate expenses. Lowering our F2025 (Mar) and F2026 adjusted EPS estimates from $(2.02)/$0.08 to $(2.89)/$(0.54). Taking down our price target to $4 on a flatter near-term earnings curve.

Current Price (2/12/25)	$0.64
Valuation	**$4.00**

OUTLOOK

Key F3Q25 takeaways include: 1) while we expect loan originations to remain limited in the near term, the pending approval of the Public Stockholder Enhancement Transactions likely drives sustainable growth in volumes over time; 2) the recently announced acquisition of Mercantial Bank extends the company's custody services, with a focus on higher-fee digital assets, thereby further diversifying BENF's revenue base; and 3) our lower earnings outlook primarily reflects OpEx generally consistent with F325 run-rates combined with a flatter revenue trajectory, with growth mostly dependent on reaccelerating loan originations.

While we still see considerable upside potential for the stock over time, we recognize a meaningful upward revaluation likely necessitates sustained growth in loan origination volumes driving an inflection in profitability. That said, BENF's Tangible Book Value (TBV) per share of ~$1.15 likely provides downside support for the stock.

SUMMARY DATA

52-Week High	**$23.68**
52-Week Low	**$0.56**
One-Year Return (%)	**-97.33**
Beta	**N/A**
Average Daily Volume (sh)	**2,221,325**
Shares Outstanding (mil)	**8**
Market Capitalization ($mil)	**$5**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**18**
Insider Ownership (%)	**20**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using F2025 Estimate	**N/A**
P/E using F2026 Estimate	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Cap**
Industry	**Financial**

ZACKS ESTIMATES

Adjusted Segment Revenues

(in thousands of $)

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2023	23,446 A	19,821 A	16,198 A	17,381 A	76,846 A
2024	17,849 A	19,066 A	18,146 A	16,306 A	71,367 A
2025	16,242 A	16,626 A	16,621 A	16,856 E	66,345 E
2026					74,902 E

Adjusted Segment Earnings/Class A Share

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2023	$0.52 A	-$3.19 A	-$5.53 A	-$5.08 A	-$13.28 A
2024	-$8.30 A	-$3.73 A	-$1.34 A	-$16.28 A	-$29.66 A
2025	-$1.16 A	-$0.52 A	-$0.72 A	-$0.49 E	-$2.89 E
2026					-$0.54 E

Quarterly revenues/EPS may not equal annual revenues/EPS due to rounding.

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F3Q25 EARNINGS: ADJUSTED OPERATING INCOME SHORTFALL

Pre-market open on 2/13/25, Beneficient reported F3Q25 (Dec) earnings results. On a GAAP basis, BENF reported a net loss of $1.32 per Class A diluted share for F3Q25 versus a loss of $158.36 per share for F3Q24. The year-over-year variance primarily relates to more favorable GAAP revenue trends, and a $883 million non-cash goodwill impairment charge in F3Q24.

BENF reported $4.4 million of GAAP revenues in F3Q25 compared to ($10.2) million in the prior-year period. The year-over-year improvement primarily reflected lower losses of financial instruments driven by fair value adjustments.

GAAP operating expenses totaled $13.9 million in F3Q25 compared to $905.7 million for the prior-year period. The year-over-year improvement largely reflected an $883.2 million non-cash goodwill impairment charge in F3Q24. Excluding non-recurring items, operating expenses totaled $13.9 million for the most recent quarter versus $22.5 million in the prior-year quarter, with much of the decline driven by lower compensation, interest, and other expenses.

Adjusted segment revenues attributable to BENF equity holders comprising Ben Liquidity interest income, Ben Custody fees, and Corporate & Other totaled $16.6 million for F3Q25, flat compared to the prior quarter. Ben Liquidity interest income declined by 5.7% on a sequential basis reflecting a higher percentage of non-accruing loans, while Ben Custody fees were essentially flat on a sequential-quarter basis – consistent with steady NAVs of custodied assets.

BENF reported an adjusted segment operating loss attributable to BENF equity holders of $4.7 million for F3Q25 compared to a loss of $2.3 million in F2Q25. The Q/Q decline was largely a function of a step up in credit loss adjustments combined with higher operating expenses. On an adjusted basis, Beneficient reported a net loss of $0.72 per Class A share versus our $0.21 estimate. Relative to our model, the miss was primarily a function of lower-than-expected revenues and higher expenses across Ben Liquidity, partially offset by lower Corporate & Other expenses (Exhibit 1).

Turning to Beneficient's balance sheet, the fair value of Customer ExAlt Trust investments totaled $334 million as of December 31, 2024, essentially unchanged for the quarter. Investments on the balance sheet serve as collateral for Ben Liquidity's loan portfolio. Net of allowances for credit losses, Ben Liquidity's loan balances totaled $261 million as of December 31, 2024 compared to $290 million a year ago. Distributions from custodied assets totaled $6.8 million for F3Q25 compared to $5.3 million in the prior quarter. Finally, as of December 31, 2024, the company maintained $4.1 million of cash and cash equivalents and $122.9 million of total debt.

Exhibit 1: F3Q25 Actual vs. Estimates

Adjusted Business Segment Information Attributable to Ben's Equity Holders

($ thousands)

	F3Q25		Change	
	Actual	Estimate	$	%
Revenues				
Ben Liquidity	11,297	12,559	(1,262)	-10.0%
Ben Custody	5,410	5,551	(141)	-2.5%
Corporate & Other	(86)	0	(86)	NM
Total Revenues	**16,621**	**18,109**	**(1,488)**	**-8.2%**
Operating Expenses				
Ben Liquidity	14,150	9,482	4,668	49.2%
Ben Custody	563	782	(219)	-28.0%
Corporate & Other	6,645	8,887	(2,242)	-25.2%
Total Operating Expenses	**21,358**	**19,151**	**2,207**	**11.5%**
Operating Income/(Loss)				
Ben Liquidity	(2,853)	3,077	(5,930)	-192.7%
Ben Custody	4,847	4,768	79	1.6%
Corporate & Other	(6,731)	(8,887)	2,156	-24.3%
Total Operating Income/(Loss)	**(4,737)**	**(1,042)**	**(3,695)**	**354.8%**
Net income/(loss) - Class A shareholders	**(4,586)**	**(990)**	**(3,597)**	**363.4%**
Class A EPS	**($0.72)**	**($0.21)**	**($0.52)**	**248.5%**
Class A weighted average shares out, basic	6,336	4,765	1,571	33.0%

Source: Company Reports and Zacks Small Cap Research estimates and calculations.

KEY TAKEAWAYS

Following our review of F3Q25 results, we highlight the following key takeaways:

1. **Pieces in place for growth:** While loan originations remained on hold in F3Q25, we look for sustainable growth in volumes over time. In late December 2024, the company announced a series of Public Stockholder Enhancement Transactions that provide public company stockholders with preferential treatment (previously reserved for Preferred Equity holders) in the event of a liquidation. Pending approval expected in 1H25, we believe the transactions will serve as a key catalyst for reaccelerating and sustainable growth for BENF's core liquidity business.

   Stepping back, management put new business discussions with potential clients for normal course liquidity transactions on hold in the fourth quarter of last year, thereby pausing ExchangeTrust transaction activity. Following the announcement of the Public Stockholder Enhancement Transactions, senior officials have actively reengaged with prospective customers previously in the pipeline and relaunched sales/marketing efforts. As evidence of the shift, the company recently closed a $1.4 million primary capital commitment. From a balance sheet perspective, the transactions drive meaningful Tangible Book Value (TBV) accretion for public company stockholders – another attractive economic element for potential counterparties.

2. **Continuing to add complimentary businesses:** Management remains focused on further extending the company's services by launching adjacent/related new businesses. In addition to plans to bring to market a platform to facilitate alternative securities lending, Beneficient recently entered into an agreement to acquire Mercantile Bank, a financial institution based in Puerto Rico. Following the anticipated closing of the transaction in 2Q25, Beneficient's lineup of custody services will expand to include digital assets (at materially higher fee rates), while Mercantile will serve as a funnel for sourcing new clients, particularly outside of the U.S. Stepping back, the acquisition likely generates incremental fees and further diversifies the company's revenue base.

3. **Recalibrating earnings outlook:** After updating our model for F3Q25 actuals, we are resetting our F2025 and F2026 EPS estimates. On an adjusted business segment attributable to BENF equity holders basis, we forecast net losses per Class A share of $2.89 in F2025 (Mar) followed by $0.54 for F2026. More specifically, our updated estimates reflect a flatter revenue trajectory, with growth mostly dependent on reaccelerating ExchangeTrust transactions. That said, Beneficient maintains a powerful revenue model, with every $100 million of loans originated translating into ~$12 million across Ben Liquidity interest income and Ben Custody fees based on our back-of-the-envelope math. Turning to expenses, our model incorporates higher operating costs – generally consistent with F325 run-rates. Sluggish monetization activity likely continues to inflate expected credit losses in the near term, while we expect variable costs to trend higher, as transaction volumes build over time. However, BENF's diversified ExAlt Loan portfolio seems primed for stepped up realizations assuming a favorable macroeconomic/regulatory backdrop and IPO activity ramps up more broadly.

LOWERING PRICE TARGET

Turning to valuation, we are taking down our price target by $1.00 to $4.00 reflecting our lower earnings outlook. While we still see considerable upside potential for the stock over time, we recognize a meaningful upward revaluation likely necessitates sustained growth in loan origination volumes driving an inflection in profitability.

That said, we calculate BENF's Tangible Book Value (TBV) per share stood at ~$1.15 following the closing of the $1.36 million primary capital commitment in January, thereby providing a valuation floor for the stock, we believe. Indeed, at current levels, BENF is trading at a 50%+ discount to tangible book value – seemingly unsustainable in our view. Applying a 3x to 4x TBV multiple – consistent with the low end of the range for comparable stocks – translates into a fair value for BENF of around $4.00. Going forward, ~33% of the Net Asset Value of incremental liquidity closings involving the issuance of equity (i.e., ExchangeTrust transactions up to $5 billion) will accrue to BENF's tangible book value – a key TBV growth driver as origination activity picks up. Put another way, the next $20 million of deals – seemingly reasonable in the context of the $1 billion of liquidity transactions completed in the company's first two years of operations – will drive $6.6 million of TBV accretion, or more than BENF's current market cap.

INVESTMENT THESIS

Beneficient leverages a proprietary FinTech platform and an innovative/fiduciary trust structure branded as the ExAlt Plan to provide early exit liquidity solutions and custody/data analytics services to holders of alternative assets including medium-to-high net worth (MHNW) individuals and small-to-midsized institutions (STMIs). In addition, the company delivers primary capital solutions to fundraising General Partners (GPs).

Our investment thesis revolves around:

1. **Unique business model, with sustainable competitive advantages:** Beneficient's differentiated trust structure and comprehensive FinTech platform delivers liquidity solutions to Medium-to-High Net Worth investors and Small-to-Medium Sized Institutions in a timely and cost-effective manner with price certainty. From a structural standpoint, Beneficient's trust company originates loans to specialized trusts called the Customer ExAlt Trusts, with loan proceeds allocated to acquiring alternative assets from its customers that are Limited Partners (LPs) in funds. In turn, underlying alternative assets acquired by the Customer ExAlt Trusts serve as collateral for the loans, with the trusts drawing on distributions/proceeds from investments to fund loan payments, pay transaction, trust, and custody fees, and make distributions to the beneficiaries of the Customer ExAlt Trusts. In exchange for alternative asset holdings (and unfunded commitments), Beneficient offers customers cash, BENF common/preferred stock, or a combination thereof.

   Ben AltAccess®, the company's proprietary end-to-end technology-enabled engine, provides liquidity solutions and related trust, custody, data analytics, transfer agency, and broker-dealer services to holders of alternative assets within an online portal built to facilitate timely and cost-effective transactions. Separately, Beneficient's state-chartered trust company subsidiary provides financing, trust, and custody services to alternative asset trusts, and is subject to regulatory oversight by the Kansas Office of the State Bank Commissioner, thereby adding credibility to the process and instilling confidence in customers.

2. **Growth – shifting into gear:** We expect origination volumes to start to reaccelerate reflecting a number of powerful industry and company-specific factors. First, ongoing growth in alternative AUM generates rising demand for liquidity, particularly as distribution activity remains muted more broadly reflecting lackluster exit markets and extended holding periods. While GPs can access the secondary markets for larger, more complex liquidity transactions, Beneficient focuses on underserved MHNW investors and STMIs that value certainty of price, cost, and time when seeking early liquidity options. Of the $16+ trillion of global alternative AUM, recent studies estimate MHNW individuals and STMI investors in the U.S. hold a growing $2+ trillion of related assets, with annual demand for liquidity reaching $100+ billion over the next five years. On top of that, the company's GP Solutions and Primary Commitment Program businesses target private funds with identifiable liquidity and fundraising needs. In aggregate, related funds represent north of $400 billion of potential new business. As such, even a fractional win rate likely translates into meaningful transaction volumes and TBV/earnings accretion for BENF.

   Second, Beneficient maintains a comprehensive go-to-market strategy spanning multiple clients, distribution channels, and approaches. GP Solutions targets funds facing identifiable liquidity needs including absolute/relative performance issues, limited carry potential, first-time managers, and those nearing winddown. The company's Preferred Liquidity Program (PLP) offering leverages Beneficient's AltAccess platform to deliver turnkey liquidity, primary capital, custody, and reporting services to platform customers. Furthermore, the recently launched Primary Capital Program (PCP) supports GP fundraising initiatives, with Beneficient financing commitments to new alternative asset funds.

3. **Exposure to optimized alternative asset portfolio:** Beneficient has organically constructed a value-added balance sheet mostly comprised of loans collateralized by alternative asset fund holdings and direct investments. The underlying collateral remains well diversified across asset classes (private equity, real estate, natural resources, debt, and venture capital), sectors, and geographies, with holdings in approximately 220 private market funds and ~750 investments. Stepping back, management has deliberately built the loan portfolio by leveraging the endowment model of investing. More specifically, Beneficient's approach incorporates longer-term time horizons, higher allocations to illiquid alternative assets, and broad diversification to lower correlations, minimize risk, and ultimately optimize returns. Continued growth of Beneficient's alternative asset portfolio drives accelerating interest income on loans to the Customer ExAlt Trusts, with the potential to earn additional interest based on various factors.

Furthermore, balance sheet growth promotes stepped up deal flow for Ben Liquidity, thereby driving higher revenues and operating income.

4. **Rebuilding earnings power:** On an adjusted business segment attributable to BENF equity holders basis, we forecast net losses per Class A share of $2.89 in F2025 (Mar) followed by $0.54 for F2026. From a revenue perspective, the key driver for Beneficient remains loan origination volumes, with the company generating interest income and related fees based on the level and growth of financing transactions, as well as the trajectory of underlying collateral. Importantly, Beneficient maintains a diversified revenue profile, with various upfront and recurring fee streams largely based on NAV levels, unfunded commitments, outstanding loan balances, and assets held in custody. All in, we look for revenue growth across Ben Liquidity and Ben Custody on an adjusted business segment basis in F2026.

INVESTMENT RISKS

1. **GAAP reporting clouds underlying financial performance and economic interests:** BENF's GAAP income statement consolidates investment income and gains/losses on financial instruments held by Customer ExAlt Trusts, or the customized trust vehicles that facilitate the exchange of alternative assets for cash and/or equity or debt securities. Related income/losses represent NAV markups/markdowns on underlying fund holdings and fair value changes of equity/debt/derivative securities. Importantly, the Customer ExAlt Trusts are not legally owned by the company, and do not directly impact the economic interests of BENF equity holders. Furthermore, interest and fee income related to transactions between the company's operating subsidiaries – Ben Liquidity and Ben Custody – and Customer ExAlt Trusts are eliminated from consolidated financial statements despite related allocations to BENF equity holders. From our perspective, GAAP reporting misrepresents the underlying financial performance of the company, particularly as it relates to the economic interests of BENF equity holders. As such, we focus exclusively on adjusted segment reporting for our analysis and valuation work.

2. **Model partially reliant on issuing BENF (preferred) stock to finance liquidity transactions:** One of the primary reasons behind management's decision to go public was the ability to offer BENF common/preferred stock in connection with Ben Liquidity's delivery of early liquidity solutions for its customers' alternative assets. Equity-linked transactions remain dependent on the relative attractiveness of BENF stock (versus other liquidity options and retaining illiquid assets). Factors influencing that analysis include projected stock price performance, volatility, and liquidity. To be sure, BENF has meaningfully underperformed since the de-SPAC in June 2023 reflecting various headwinds including the complexity of Beneficient's structure and business model, continued net losses on a GAAP basis, and ongoing legal issues. As such, we suspect accelerating Ben Liquidity transaction volumes will be partially dependent on a sustained period of stock price stability and building trading volumes. Moreover, further equity issuances to fund alternative asset exchanges likely dilute existing shareholders and drive stepped up volatility of investment income on the GAAP P&L.

3. **Ongoing litigation:** As part of GWG's bankruptcy process, the Litigation Trust filed a complaint against Beneficient alleging causes of action related to prior equity purchases and loans by GWG. To be sure, ongoing litigation involves material costs, as well as incremental regulatory scrutiny and reputational harm, which in turn heightens operational risks and uncertainties. That said, the recent SEC termination letter seemingly weakens the plaintiffs' case – given the petition referenced the SEC investigation – thereby increasing the likelihood of a settlement, in our minds. Management remains optimistic that any potential legal settlements/judgements will be covered by the company's Directors & Officers (D&O) insurance.

4. **Capital to fund growth:** As Beneficient increasingly taps into the liquidity needs of MHNW individuals and STMI investors, LiquidTrust (cash considerations in exchange for alternative assets) acceptance and adoption will likely ramp up in concert. As such, the company seemingly needs broader access to capital to fund accelerating cash considerations, particularly as cash flow from operations likely remains insufficient to fund growth in the near term. One option is for management to tap the equity markets via a shelf registration.

PROJECTED GAAP INCOME STATEMENT

Beneficient
($ thousands)

	Quarterly								Annual				Y/Y Growth		
	F1Q24	F2Q24	F3Q24	F4Q24	F1Q25	F2Q25	F3Q25	F4Q25E	F2023	F2024	F2025E	F2026E	F2024	F2025E	F2026E
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Mar-23	Mar-24	Mar-25	Mar-26	Mar-24	Mar-25	Mar-26
Revenues															
Investment income (loss), net	500	(13)	7,448	(3,144)	11,028	8,541	4,742	0	(54,010)	4,791	24,311	0	NM	407%	-100%
Loss on financial instruments, net	(3,461)	(42,775)	(18,024)	(40,261)	(1,183)	(179)	(523)	0	(51,421)	(104,521)	(1,885)	0	NM	NM	NM
Interest and dividend income	116	114	118	109	12	12	10	11	412	457	45	50	11%	-90%	13%
Trust services and admin. revenues	102	(87)	158	192	189	187	188	197	30	365	761	948	1117%	109%	24%
Other income	0	0	65	147	0	0	2	2	86	212	4	10	147%	-98%	146%
Total Revenues	**(2,743)**	**(42,761)**	**(10,235)**	**(42,957)**	**10,046**	**8,561**	**4,419**	**210**	**(104,903)**	**(98,696)**	**23,236**	**1,008**	**NM**	**NM**	**-96%**
Operating Expenses															
Employee compensation and benefits	35,823	15,398	7,340	6,568	3,850	7,135	2,929	2,988	45,527	65,129	16,902	12,906	43%	-74%	-24%
Interest expense	3,784	5,114	4,671	3,990	4,288	4,320	3,240	3,240	15,471	17,559	15,088	12,960	13%	-14%	-14%
Professional services	10,373	6,657	4,970	7,999	5,544	7,257	5,083	5,185	38,422	29,999	23,069	22,398	-22%	-23%	-3%
Provision (credit) for credit losses	0	0	0	6,016	524	476	0	0	20,580	6,016	1,000	0	-71%	-83%	-100%
Loss on impairment of goodwill	1,096,305	306,684	883,223	68,108	3,394	298	0	0	0	2,354,320	3,692	0	NM	-100%	-100%
Loss on arbitration				54,973	(54,973)	0	0	0	0	54,973	(54,973)	0	NM		
Other expenses	6,942	5,150	5,512	4,250	3,081	2,790	2,680	2,734	28,269	21,854	11,285	11,809	-23%	-48%	5%
Total Operating Expenses	**1,153,227**	**339,003**	**905,716**	**151,904**	**(34,292)**	**22,276**	**13,932**	**14,146**	**148,269**	**2,549,850**	**16,062**	**60,073**	**1620%**	**-99%**	**274%**
Operating Income/(Loss)	**(1,155,970)**	**(381,764)**	**(915,951)**	**(194,861)**	**44,338**	**(13,715)**	**(9,513)**	**(13,936)**	**(253,172)**	**(2,648,546)**	**7,174**	**(59,065)**	**NM**	**NM**	**-923%**
Loss on extinguishment of debt, net	0	0	8,846	0	0	(23,462)	0	0	0	8,846	(23,462)	0	NM	-365%	NM
Pre-Tax Income	**(1,155,970)**	**(381,764)**	**(924,797)**	**(194,861)**	**44,338**	**9,747**	**(9,513)**	**(13,936)**	**(253,172)**	**(2,657,392)**	**30,636**	**(59,065)**	**NM**	**NM**	**-293%**
Income tax expense (benefit)	0	0	75	713	28	0	713	0	(1,072)	788	741	0	NM	-6%	-100%
Net Income/(Loss)	**(1,155,970)**	**(381,764)**	**(924,872)**	**(195,574)**	**44,310**	**9,747**	**(10,226)**	**(13,936)**	**(252,100)**	**(2,658,180)**	**29,895**	**(59,065)**	**NM**	**NM**	**-298%**
Less NCI - Customer ExAlt Trusts	13,866	3,592	26,240	477	526	4,523	1,232	1,257	117,861	44,175	7,538	5,429	-63%	-83%	-28%
Less NCI - Ben	30,686	10,604	360,695	133,172	7,187	3,067	4,844	4,941	19,081	535,157	20,039	21,345	2705%	-96%	7%
Less NCI guaranteed payment	(4,105)	(4,167)	(4,229)	(4,292)	(4,356)	(4,423)	(4,489)	(4,534)	(15,822)	(16,793)	(17,802)	(18,861)	NM	NM	NM
Net loss - BENF common shareholders	**(1,115,523)**	**(371,735)**	**(542,166)**	**(66,217)**	**47,667**	**12,914**	**(8,639)**	**(12,272)**	**(130,980)**	**(2,095,641)**	**39,670**	**(51,153)**	**NM**	**NM**	**NM**
Net loss - Class A common shareholders	(1,013,454)	(344,580)	(504,615)	(93,212)	44,770	12,270	(8,364)	(11,671)	(118,402)	(1,955,861)	37,005	(47,905)	NM	NM	NM
Earnings per share, basic & diluted															
Class A	**($440.25)**	**($115.95)**	**($158.36)**	**($29.51)**	**$12.11**	**$2.98**	**($1.32)**	**($1.39)**	**($52.57)**	**($744.06)**	**$12.38**	**($1.79)**	**NM**	**NM**	**-114%**
Weighted average shares out, basic & diluted															
Class A	2,302	2,972	3,187	3,159	3,697	4,122	6,336	8,420	2,252	2,905	5,644	26,691	29%	94%	373%

Source: Company reports and Zacks SCR estimates and calculations.

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PROJECTED ADJUSTED BUSINESS SEGMENT INCOME STATEMENT

Beneficient
($ thousands)

Adjusted Business Segment Information Attributable to Ben's Equity Holders

	Quarterly								Annual				Y/Y Growth		
	F1Q24	F2Q24	F3Q24	F4Q24	F1Q25	F2Q25	F3Q25	F4Q25E	F2023	F2024	F2025E	F2026E	F2024	F2025E	F2026E
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Mar-23	Mar-24	Mar-25	Mar-26	Mar-24	Mar-25	Mar-26
Revenues															
Ben Liquidity	12,007	13,022	11,275	10,644	10,849	11,978	11,297	11,398	50,820	46,948	45,522	50,647	-8%	-3%	11%
Ben Custody	6,576	6,490	5,897	5,573	5,382	5,386	5,410	5,458	29,043	24,536	21,636	24,254	-16%	-12%	12%
Corporate & Other	(734)	(446)	974	89	11	(738)	(86)	0	(3,017)	(117)	(813)	0	NM	NM	NM
Total Revenues	**17,849**	**19,066**	**18,146**	**16,306**	**16,242**	**16,626**	**16,621**	**16,856**	**76,846**	**71,367**	**66,345**	**74,902**	**-7%**	**-7%**	**13%**
Operating Expenses															
Ben Liquidity	21,564	17,760	8,750	40,052	11,358	9,073	14,150	13,706	41,114	88,126	48,287	59,386	114%	-45%	23%
Ben Custody	1,268	865	1,062	1,576	966	759	563	568	5,001	4,771	2,856	2,524	-5%	-40%	-12%
Corporate & Other	16,046	12,401	12,928	11,222	8,470	9,055	6,645	6,866	63,807	52,597	31,036	28,012	-18%	-41%	-10%
Total Operating Expenses	**38,878**	**31,026**	**22,740**	**52,850**	**20,794**	**18,887**	**21,358**	**21,140**	**109,922**	**145,494**	**82,179**	**89,922**	**32%**	**-44%**	**9%**
Operating Income/(Loss)															
Ben Liquidity	(9,557)	(4,738)	2,525	(29,408)	(509)	2,905	(2,853)	(2,309)	9,706	(41,178)	(2,766)	(8,739)	-524%	NM	NM
Ben Custody	5,308	5,625	4,835	3,997	4,416	4,627	4,847	4,890	24,042	19,765	18,780	21,730	-18%	-5%	16%
Corporate & Other	(16,780)	(12,847)	(11,954)	(11,133)	(8,459)	(9,793)	(6,731)	(6,866)	(66,824)	(52,714)	(31,849)	(28,012)	NM	NM	NM
Total Operating Income/(Loss)	**(21,029)**	**(11,960)**	**(4,594)**	**(36,544)**	**(4,552)**	**(2,261)**	**(4,737)**	**(4,284)**	**(33,076)**	**(74,127)**	**(15,834)**	**(15,020)**	**NM**	**NM**	**NM**
Net income/(loss) - Class A shareholders	(19,105)	(11,086)	(4,276)	(51,442)	(4,275)	(2,148)	(4,586)	(4,147)	(29,900)	(85,909)	(15,157)	(14,542)	NM	NM	NM
Earnings per share, basic & diluted															
Class A	**($8.30)**	**($3.73)**	**($1.34)**	**($16.28)**	**($1.16)**	**($0.52)**	**($0.72)**	**($0.49)**	**($13.28)**	**($29.66)**	**($2.89)**	**($0.54)**	**NM**	**NM**	**NM**
Weighted average shares out, basic & diluted															
Class A	2,302	2,972	3,187	3,159	3,697	4,122	6,336	8,420	2,252	2,905	5,644	26,691	29%	94%	373%

Source: Company reports and Zacks SCR estimates and calculations.

PROJECTED BALANCE SHEET

Beneficient
($ thousands)

	Quarterly								Annual				Y/Y Growth		
	F1Q24	F2Q24	F3Q24	F4Q24	F1Q25	F2Q25	F3Q25	F4Q25E	F2023	F2024	F2025E	F2026E	F2024	F2025E	F2026E
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Mar-23	Mar-24	Mar-25	Mar-26	Mar-24	Mar-25	Mar-26
Assets:															
Cash and cash equivalents	3,057	2,394	11,248	7,913	4,399	4,482	4,149	4,190	8,726	7,913	4,190	4,358	-9%	-47%	4%
Restricted cash	821	20	20	64	314	314	52	53	819	64	53	55	-92%	-18%	4%
Investments, at fair value:															
Investments - Customer ExAlt Trusts	486,944	457,548	378,382	329,113	331,367	334,987	334,278	340,964	491,859	329,113	340,964	409,156	-33%	4%	20%
Investments - Ben	2,346	223	38	6	0	0	0	0	5,362	6	0	0	-100%	-100%	NM
Other assets, net	27,974	28,783	26,061	14,699	11,912	15,991	48,519	49,489	32,903	14,699	49,489	53,449	-55%	237%	8%
Intangible assets	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	0%	0%	0%
Goodwill	1,271,621	964,937	81,714	13,606	10,212	9,914	9,914	9,914	2,367,926	13,606	9,914	9,914	-99%	-27%	0%
Total Assets	**1,795,863**	**1,457,005**	**500,563**	**368,501**	**361,304**	**368,788**	**400,012**	**407,710**	**2,910,695**	**368,501**	**407,710**	**480,032**	**-87%**	**11%**	**18%**
Liabilities:															
Accounts payable and accrued expenses	93,413	104,958	96,194	157,157	103,012	112,494	149,204	150,696	65,724	157,157	150,696	156,724	139%	-4%	4%
Other liabilities	19,722	16,979	20,986	31,727	34,796	19,123	22,433	22,657	14,622	31,727	22,657	23,564	117%	-29%	4%
Warrant liability	1,128	956	161	178	180	784	648	654	0	178	654	681	NM	268%	4%
Customer ExAlt Trusts loan payable, net	49,529	48,660	0	0	0	1,936	2,667	2,667	52,129	0	2,667	2,667	-100%	NM	0%
Debt due to related party, net	100,072	102,141	128,197	120,505	120,554	122,117	120,274	120,274	99,314	120,505	120,274	120,274	21%	0%	0%
Total Liabilities	**263,864**	**273,694**	**245,538**	**309,567**	**258,542**	**256,454**	**295,226**	**296,949**	**231,789**	**309,567**	**296,949**	**303,909**	**34%**	**-4%**	**2%**
Redeemable noncontrolling interests															
Preferred Series A Subclass 0 Unit Accour	251,052	251,052	251,052	251,052	251,052	125,526	90,526	90,526	251,052	251,052	90,526	90,526	0%	-64%	0%
Preferred Series A Subclass 1 Unit Accour	0	0	0	0	0	0	0	0	699,441	0	0	0	-100%	NM	NM
Total Temporary Equity	**251,052**	**251,052**	**251,052**	**251,052**	**251,052**	**125,526**	**90,526**	**90,526**	**950,493**	**251,052**	**90,526**	**90,526**	**-74%**	**-64%**	**0%**
Total Shareholders' Equity	**1,280,947**	**932,259**	**3,973**	**(192,118)**	**(148,290)**	**(13,192)**	**14,260**	**20,235**	**1,728,413**	**(192,118)**	**20,235**	**85,596**	**-111%**	**NM**	**323%**
Total Liabilities & Temp./Shareholders' Equ	**1,795,863**	**1,457,005**	**500,563**	**368,501**	**361,304**	**368,788**	**400,012**	**407,710**	**2,910,695**	**368,501**	**407,710**	**480,032**	**-87%**	**11%**	**18%**

Source: Company reports and Zacks SCR estimates and calculations.

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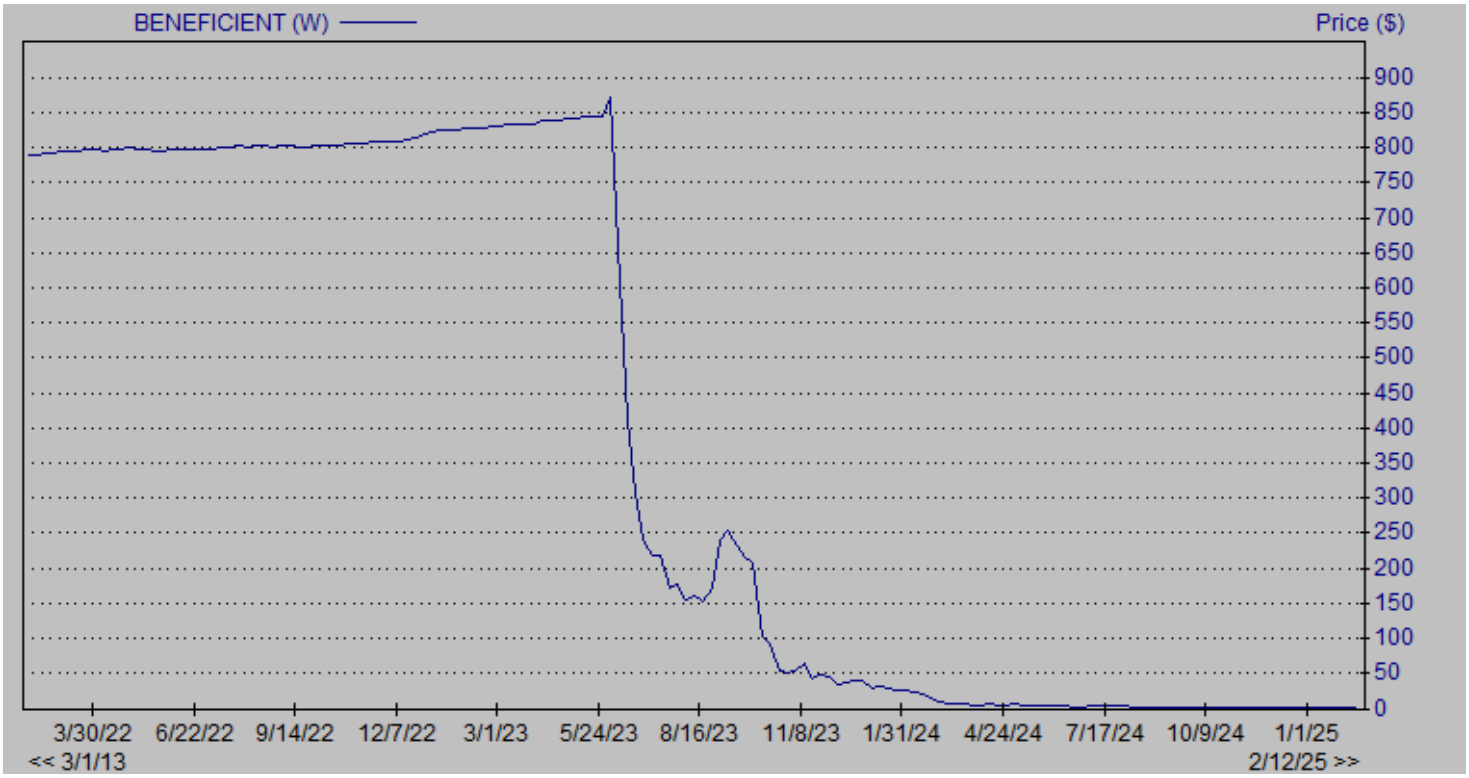

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