UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 001-40742

Binah Capital Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**88-3276689**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

80 State Street
Albany, NY 12207
(Address of Principal Executive Offices, including zip code)

(212) 404-7002
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	**BCG**	**The Nasdaq Stock Market LLC**
Warrants, each exercisable for one share of Common Stock at an exercise price of $11.50 per share	**BCGWW**	**The Nasdaq Stock Market LLC**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

On November 12, 2026, there were 17,060,131 shares of common stock, $0.0001 par value per share ("Common Stock"), issued and outstanding.

BINAH CAPITAL GROUP, INC.

Quarterly Report on Form 10-Q

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "project," "will," "would," "seek," or "should," or the negative or plural of these words or similar expressions or variations are intended to identify such forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding our or our management's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Risks and uncertainties that may cause actual results to differ materially from forward-looking statements include, but are not limited to, those identified in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the U.S. Securities and Exchange Commission in the sections titled "Risk Factor Summary" and "Risk Factors" set forth in Part I, Item 1A thereof, as well as our other filings made from time to time with the U.S. Securities and Exchange Commission filings.

Forward looking statements are based on information available to us as of the date of this Form 10-Q and, while we believe that information provides a reasonable basis for these statements, these statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements. You should not rely upon forward-looking statements or forward-looking information as predictions of future events.

We undertake no obligation to update forward-looking statements to reflect actual results or changes in assumptions or circumstances, except as required by applicable law.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

BINAH CAPITAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(in thousands except for share and per share amounts)

	Unaudited September 30, 2026	December 31, 2025
ASSETS		
Assets:		
Cash, cash equivalents and restricted cash	$ 13,242	$ 10,716
Receivables, net:		
Commission receivable	11,001	10,441
Due from clearing broker	637	707
Other	1,177	1,261
Property and equipment, net	242	342
Right of use assets	3,125	3,097
Intangible assets, net	408	671
Goodwill	39,839	39,839
Other assets	3,459	3,141
TOTAL ASSETS	$ 73,130	$ 70,215
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable, accrued expenses and other liabilities	$ 11,473	$ 13,103
Commissions payable	13,377	12,632
Operating lease liabilities	3,237	3,221
Notes payable, net of unamortized debt issuance costs of $480 and $590 as of September 30, 2026 and December 31, 2025, respectively	16,267	17,679
Promissory notes-affiliates	5,313	5,313
TOTAL LIABILITIES	49,667	51,948
Mezzanine Equity:		
Redeemable Series A Convertible Preferred Stock, par value $0.0001, 2,000,000 shares authorized, 1,681,000 and 1,626,000 shares outstanding at September 30, 2026 and December 31, 2025, respectively	16,229	15,668
Stockholders' Equity:		
Series B Convertible Preferred Stock, par value $0.0001, 500,000 shares authorized, 150,000 shares outstanding at September 30, 2026 and December 31, 2025	1,500	1,500
Common stock, $0.0001 par value, 55,000,000 authorized, 17,060,131 and 16,716,000 issued and outstanding at September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in-capital	23,221	23,709
Accumulated deficit	(17,612)	(22,496)
Accumulated other comprehensive income (loss)	125	(114)
Total Stockholders' Equity and Mezzanine Equity	23,463	18,267
TOTAL LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY	$ 73,130	$ 70,215

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

BINAH CAPITAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues:				
Revenue from Contracts with Customers:				
Commissions	$ 41,259	$ 37,370	$ 119,074	$ 112,506
Advisory fees	8,145	7,407	22,805	20,948
Total Revenue from Contracts with Customers	49,404	44,777	141,879	133,454
Interest and other income	1,157	1,421	3,899	3,178
Total revenues	50,561	46,198	145,778	136,632
Expenses:				
Commissions and fees	40,567	37,202	115,736	110,240
Employee compensation and benefits	4,728	4,679	14,369	13,956
Rent and occupancy	291	286	841	857
Professional fees	138	558	1,118	1,807
Technology fees	776	751	2,370	2,194
Interest	507	534	1,542	1,643
Depreciation and amortization	187	167	457	537
Other	(679)	71	2,218	2,551
Total expenses	46,515	44,248	138,651	133,785
Income before provision for income taxes	4,046	1,950	7,127	2,847
Provision for income taxes	1,400	190	2,242	706
Net income	$ 2,646	$ 1,760	$ 4,885	$ 2,141
Net income per share basic	$ 0.13	$ 0.08	$ 0.22	$ 0.06
Net income per share diluted	$ 0.13	$ 0.08	$ 0.22	$ 0.06
Weighted average shares outstanding: basic	17,060	16,709	16,875	16,638
Weighted average shares outstanding: diluted	17,060	16,720	16,875	16,921

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

BINAH CAPITAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 2,646	$ 1,760	$ 4,885	$ 2,141
Other comprehensive income (loss)				
Changes in fair value of cash flow hedge	88	(2)	239	(154)
Total other comprehensive income (loss)	$ 88	$ (2)	$ 239	$ (154)
Comprehensive income	$ 2,734	$ 1,758	$ 5,124	$ 1,987

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

BINAH CAPITAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)
(in thousands)

	For the three and nine months ended September 30, 2026									
	Class A Redeemable Convertible Preferred Stock		Class B Convertible Preferred Stock		Common Stock					
	Units	Amount	Units	Amount	Units	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss)	Total Stockholders' Equity and Mezzanine Equity
Balance January 1, 2026	1,626	$ 15,668	150	$ 1,500	16,716	$ —	$ 23,709	$ (22,496)	$ (114)	$ 18,267
Issuance of Class A redeemable convertible preferred stock	18	183	—	—	—	—	—	—	—	183
Dividends - Class A redeemable convertible preferred stock	—	—	—	—	—	—	(366)	—	—	(366)
Dividends - Class B convertible preferred stock	—	—	—	—	—	—	(26)	—	—	(26)
Share based compensation	—	—	—	—	95	—	384	—	—	384
Change in value of cash flow hedge	—	—	—	—	—	—	—	—	76	76
Net income	—	—	—	—	—	—	—	1,901	—	1,901
Balance, March 31, 2026	1,644	$ 15,851	150	$ 1,500	16,811	$ —	$ 23,701	$ (20,595)	$ (38)	$ 20,419
Issuance of Class A redeemable convertible preferred stock	18	187	—	—	—	—	—	—	—	187
Dividends - Class A redeemable convertible preferred stock	—	—	—	—	—	—	(374)	—	—	(374)
Dividends - Class B convertible preferred stock	—	—	—	—	—	—	(26)	—	—	(26)
Share based compensation	—	—	—	—	250	—	164	—	—	164
Change in value of cash flow hedge	—	—	—	—	—	—	—	—	75	75
Net income	—	—	—	—	—	—	—	337	—	337
Balance, June 30, 2026	**1,662**	**$ 16,038**	**150**	**$ 1,500**	**17,061**	**$ —**	**$ 23,465**	**$ (20,258)**	**$ 37**	**$ 20,782**
Issuance of Class A redeemable convertible preferred stock	19	191	—	—	—	—	—	—	—	191
Dividends - Class A redeemable convertible preferred stock	—	—	—	—	—	—	(382)	—	—	(382)
Dividends - Class B convertible preferred stock	—	—	—	—	—	—	(26)	—	—	(26)
Share based compensation	—	—	—	—	—	—	164	—	—	164
Change in value of cash flow hedge	—	—	—	—	—	—	—	—	88	88
Net income	—	—	—	—	—	—	—	2,646	—	2,646
Balance, September 30, 2026	**1,681**	**$ 16,229**	**150**	**$ 1,500**	**17,061**	**$ —**	**$ 23,221**	**$ (17,612)**	**$ 125**	**$ 23,463**

	For the three and nine months ended September 30, 2025									
	Class A Redeemable Convertible Preferred Stock		Class B Convertible Preferred Stock		Common Stock					
	Units	Amount	Units	Amount	Units	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity and Mezzanine Equity
Balance January 1, 2025	1,555	$ 14,947	150	$ 1,500	16,603	$ —	$ 22,984	$ (23,253)	$ —	$ 16,178
Issuance of Class A redeemable convertible preferred stock	17	174	—	—	—	—	—	—	—	174
Dividends - Class A redeemable convertible preferred stock	—	—	—	—	—	—	(351)	—	—	(351)
Dividends - Class B convertible preferred stock	—	—	—	—	—	—	(27)	—	—	(27)
Net income	—	—	—	—	—	—	—	1,033	—	1,033
Balance, March 31, 2025	1,572	$ 15,121	150	$ 1,500	16,603	$ —	$ 22,606	$ (22,220)	$ —	17,007
Issuance of Class A redeemable convertible preferred stock	18	179	—	—	—	—	—	—	—	179
Dividends - Class A redeemable convertible preferred stock	—	—	—	—	—	—	(358)	—	—	(358)
Dividends - Class B convertible preferred stock	—	—	—	—	—	—	(27)	—	—	(27)
Share based compensation	—	—	—	—	108	—	392	—	—	392
Change in value of cash flow hedge	—	—	—	—	—	—	—	—	(152)	(152)
Net loss	—	—	—	—	—	—	—	(654)	—	(654)
Balance, June 30, 2025	**$ 1,590**	**$ 15,300**	**150**	**$ 1,500**	**16,711**	**$ —**	**$ 22,613**	**$ (22,874)**	**$ (152)**	**$ 16,387**
Issuance of Class A redeemable convertible preferred stock	18	183	—	—	—	—	—	—	—	183
Dividends - Class A redeemable convertible preferred stock	—	—	—	—	—	—	(366)	—	—	(366)
Dividends - Class B convertible preferred stock	—	$ —	—	—	—	—	(26)	—	—	(26)
Share based compensation	—	—	—	—	—	—	162	—	—	162
Change in value of cash flow hedge	—	—	—	—	—	—	—	—	(2)	(2)
Net income	—	—	—	—	—	—	—	1,760	—	1,760
Balance, September 30, 2025	**1,608**	**$ 15,483**	**150**	**$ 1,500**	**16,711**	**$ —**	**$ 22,383**	**$ (21,113)**	**$ (154)**	**$ 18,099**

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

BINAH CAPITAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	For the nine months ended September 30,	
	2026	**2025**
Cash Flows From Operating Activities		
Net income	$ 4,885	$ 2,141
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	389	528
Deferred income taxes	(209)	(156)
Amortization of debt issuance costs	112	112
Non-cash lease expense	198	472
Share-based compensation	712	555
Changes in operating assets and liabilities:		
Due from clearing broker	70	(27)
Commissions receivable	(560)	(1,041)
Other receivables	84	(269)
Other assets	(108)	(487)
Accounts payable and accrued expenses	(1,394)	25
Commissions payable	745	636
Operating lease liabilities	(210)	(442)
Net Cash Provided By Operating Activities	4,714	2,048
Cash Flows From Investing Activities		
Purchases of property and equipment	(26)	(55)
Net Cash Used In Investing Activities	(26)	(55)
Cash Flows From Financing Activities		
Repayment - notes payable	(1,523)	(1,523)
Dividend Series A - redeemable convertible preferred stock	(561)	(537)
Dividend Series B - redeemable convertible preferred stock	(78)	(80)
Net Cash Used In Financing Activities	(2,162)	(2,140)
Net Change in Cash, Cash Equivalents and Restricted Cash	2,526	(147)
Cash, Cash Equivalents and Restricted Cash - Beginning of Period	$ 10,716	$ 8,486
Cash, Cash Equivalents and Restricted Cash - End of Period	$ 13,242	$ 8,339
Cash Paid During the Period for:		
Interest	$ 1,423	$ 1,611
Income taxes	$ 570	$ —
Supplemental Disclosure of Non-Cash Financing Activities		
For the periods ended September 30, 2026 and 2025, the Company paid in-kind dividends to the Series A Redeemable Convertible Preferred Stock holder in the amount of $561 and $537, respectively.		
Supplemental Disclosure of Cash Flow Information		
Right of use asset in exchange for operating lease liability	$ 226	$ —

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

BINAH CAPITAL GROUP, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2026

1. ORGANIZATION, DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Binah Capital Group, Inc. ("Binah Capital", or the "Company," representing the consolidated group), is a Delaware corporation, formed on June 27, 2022 that serves as a holding company for its wholly-owned subsidiaries operating in the retail wealth management business.

Binah Capital through its wholly-owned subsidiary Wentworth Management Services LLC (dba, Binah Management Services, "BMS") operates multiple businesses in the financial services industry as follows:

- PKS Holdings, LLC ("PKSH") maintains offices in Albany, New York, and branch offices throughout the United States of America, and includes the following entities (collectively, the "PKSH Entities"):
    - Purshe Kaplan Sterling Investments, Inc. ("PKSI"), incorporated in the State of New York, is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC").
    - PKS Advisory Services, LLC ("PKSA"), a New York limited liability company, is an investment advisory firm, registered with the SEC, which provides advisory services to clients.
    - PKS Financial Services, Inc. (dba, Binah Capital Insurance), incorporated in the State of New York, is an insurance entity providing financial services to clients.
    - Representatives Indemnity Company, Inc. ("Repco"), incorporated in the British Virgin Islands, holds a general business insurance license for the purpose of providing professional liability insurance coverage for affiliated entities under BMS.
- Cabot Lodge Securities LLC maintains offices and branch offices throughout the United States of America and includes the following entities (collectively, the "Cabot Entities"):
    - Cabot Lodge Securities, LLC ("CLS"), a Delaware limited liability company, is a broker-dealer registered with the SEC and is a member of FINRA and SIPC.
    - CL Wealth Management, LLC ("CLWM"), a Virginia limited liability company, is an investment advisory firm, registered with the SEC, which provides advisory services to clients.
    - Wentworth Financial Partners LLC (dba, Binah Financial Partners), a Delaware limited liability company, is an insurance entity providing financial services to clients.
- PKS Securities Inc. ("PKSS", f/k/a as Michigan Securities, Inc., d/b/a Broadstone Securities, Inc.) maintains offices in Albany, New York and includes the following entities (collectively, the "PKSS Entities"):
    - PKSS, incorporated in the State of Michigan, is a financial services firm, and is a broker-dealer registered with the SEC and is a member of FINRA.
    - Insurance Audit Agency, Inc. ("IAA"), incorporated in the State of Michigan, is an insurance agency.
- World Equity Group, Inc. ("WEG"), incorporated in the State of Illinois, is registered as a broker-dealer and investment advisor with the SEC and is a member of FINRA and SIPC. WEG maintains offices in Schaumburg, Illinois and has branch offices throughout the United States of America.
- During the nine month period ended September 30, 2026, the Company entered into a Unit Purchase Agreement whereby the Company obtained a sixty percent (60%) controlling interest in World Fund Manager, LLC. World Fund Manager, LLC, a Delaware limited liability company, serves as the Manager of Midway Venture Partners, LLC ("MVP"). MVP is a fund whose primary objective is to make pre-IPO investments or growth equity investments, directly or indirectly, in well-positioned specific developmental-stage or later-stage private companies.

1. ORGANIZATION, DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION *(continued)*

Basis of Presentation

Unaudited Interim Financial Statements

These unaudited condensed consolidated financial statements ("condensed consolidated financial statements") are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the rules and regulations of the SEC. The unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The condensed consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes for the fiscal year ended December 31, 2025. The unaudited condensed consolidated interim financial statements do not include all the information and footnotes required by GAAP for complete financial statements. The results of operations for the three and nine months ended September 30, 2026, are not necessarily indicative of the results to be expected for the entire year ending December 31, 2026. The accompanying unaudited condensed consolidated interim financial statements reflect all adjustments, consisting of normal recurring adjustments, that are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of Binah Capital and its majority and wholly owned subsidiaries. Significant inter-company transactions and balances have been eliminated in consolidation.

Reportable Segment

Management has determined that the Company operates in one segment, given the common nature of its operations, products and services, production and distribution process and regulatory environment. For additional information, see Note 17 - *Segment Information*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates and Assumptions

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the valuation and impairments of intangible assets and deferred income taxes, allowance for credit losses, and contingencies.

Revenue Recognition

Revenues from contracts with customers are recognized when control of the promised services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. For additional information see Note 3 - *Revenues From Contracts with Customers.*

Share-Based Compensation

Certain employees, officers and directors participate in the Company's long-term incentive plan that provide for granting stock options, restricted stock awards, and restricted stock units. Stock options and restricted stock units generally vest in equal increments over a three-year period and expire on the tenth anniversary following the date of grant. Restricted stock awards generally vest upon grant or up to a three-year period.

The Company recognizes share-based compensation for equity awards granted to employees, officers and directors as compensation and benefits expense on the consolidated statements of operations. The fair value of restricted stock awards and restricted stock units is equal to the closing price of the Company's stock on the date of grant. Stock options are generally granted at the market price at the date of the grant, with vesting based on three years of continuous service. The fair value of the options is estimated using the Black-Sholes model. Share-based compensation is recognized over the requisite service period of the individual awards, which generally equals the vesting period.

The Company makes assumptions regarding the number of restricted stock awards and restricted stock units that will be forfeited. The forfeiture assumption is ultimately adjusted to the actual forfeiture rate. As a result, changes in the forfeiture assumptions do not impact the total amount of expense ultimately recognized over the service period. Rather, different forfeiture assumptions would only impact the timing of expense recognition over the service period. See Note 9 - *Share-Based Compensation* for additional information regarding share-based compensation for equity awards granted.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents consist primarily of cash on deposit and money market funds, all of which have original maturities of three months or less.

Restricted cash represents cash held by the Company's lender related to its credit facility. As of September 30, 2026 and December 31, 2025, restricted cash amounted to $0.0 million and $1.0 million, respectively.

The Company regularly maintains cash, cash equivalents and restricted cash that exceed Federal Deposit Insurance Corporation limits. The Company has not experienced any losses and does not believe it is exposed to any significant credit risk from cash.

Receivables

Receivables represent amounts due to the Company from its clearing brokers, clients, financial institutions and others. Receivables consists of unconditional amounts due and are reported at amortized costs. All receivables are uncollateralized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments – Credit Losses. The Company accounts for estimated credit losses on financial assets measured at an amortized cost basis and certain off-balance sheet credit exposures in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 326-20, *Financial Instruments-Credit Losses*. FASB ASC 326-20 requires the Company to estimate expected credit losses over the life of its financial assets and certain off-balance sheet exposures as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts. 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 statement of financial condition that adjusts the asset's amortized cost basis. Changes in the allowance for credit losses are reported in credit loss expense, if applicable. Management believes its risk of loss on currently recorded receivables is minimal and accordingly an allowance for credit losses has been recorded as of September 30, 2026, and December 31, 2025, and January 1, 2025 in the amount of $0.7 million.

Goodwill and Other Intangible Assets

Goodwill is tested annually for impairment or if certain events occur indicating that the carrying amounts may be impaired. If a qualitative assessment is used and the Company determines that the fair value of a reporting unit is more likely than not (i.e., a likelihood of more than 50%) less than its carrying amount, a quantitative impairment test will be performed. An impairment loss will be recognized if a reporting unit's carrying amount exceeds its fair value, to the extent that it does not exceed the total carrying amount of goodwill. No impairment of goodwill was recognized for the three and nine months ended September 30, 2026 and 2025.

Intangible assets that are deemed to have definite lives are amortized over their useful lives, generally ranging from 5 to 10 years. They are reviewed for impairment when there is evidence that events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount to the estimated undiscounted future cash flows expected to be generated. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the estimated fair value.

There was no impairment of intangible assets recognized for the three and nine months ended September 30, 2026 and 2025.

Income Taxes

The Company accounts for income taxes in accordance with FASB ASC 740. Income taxes are accounted for under an asset and liability approach. This process involves calculating the temporary and permanent differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The temporary differences result in deferred tax assets and liabilities, which are recorded on the condensed consolidated balance sheet in accordance with ASC 740, which established financial accounting and reporting standards for the effects of income taxes. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company periodically evaluates deferred tax assets and net operating loss carryforwards to determine their recoverability based primarily on the Company's ability to generate future taxable income. A valuation allowance may be established to reduce deferred tax assets, if it is more likely than not that all, or some portion, of such deferred tax assets will not be realized. Changes in the valuation allowance in a period are recorded through the income tax provision in the condensed consolidated statements of operations and comprehensive income.

ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold and measurement attributes for financial statement disclosure of tax positions taken or expected to be taken on an income tax return. Under ASC 740-10, the impact of an uncertain tax position on the income tax return must be recognized at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain tax position will not be recognized if it has less than a 50% likelihood of being sustained. Additionally, ASC 740-10 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

For the year ending December 31, 2025, Binah Capital elected to file a consolidated tax return which included all subsidiaries including Binah Capital Corp., BMS, the PKSH Entities, the Cabot Entities, the PKSS Entities and WEG. Therefore, these consolidated financial statements include an income tax provision for all the taxable entities. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases and net operating loss carryforwards.

Net Income Per Share

Basic earnings per share of common stock is computed by dividing net income attributable to the Company by the weighted-average number of shares of Class A common stock outstanding during the same period. Diluted net income per share of common stock is computed by dividing net income attributable to the Company by the weighted-average number of shares of common stock outstanding adjusted to give effect to potentially dilutive securities. Potential shares of common stock consist of incremental shares issuable upon the assumed exercise of stock options and warrants and conversion of the Company's preferred stock.

Financial Instruments

The Company uses derivative instruments to manage its hedge exposures to cash flow risks. The Company does not hold or issue financial instruments for speculative or trading purposes.

The Company has issued and has outstanding warrants. The Company evaluates the warrants, to determine if such instruments should be considered stock-based compensation, pursuant to ASC Topic 718, and if not in the scope of ASC 718, if such instruments are derivatives or contain features that qualify as embedded derivatives, pursuant to ASC Topic 480 and ASC Topic 815. The determination of whether the instrument should be classified as stock-based compensation or a derivative instrument, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period.

Warrants issued to non-employees (the "Non-employee Warrants") are not classified as stock-based compensation as there is no condition of employment such that the granting of the shares does not represent compensation. The Non-employee Warrants are classified as derivative liabilities under ASC Topic 480 or ASC Topic 815. Warrants issued to non-employees are measured at fair value on a recurring basis, using the market approach based upon the quoted market price of Binah Capital Group, Inc.'s warrants at the end of each reporting period.

Contingent Liabilities

The Company recognizes liabilities for contingencies when there is an exposure that, when fully analyzed, indicates potential losses become probable and can be reasonably estimated. Whether a potential loss is probable and can be reasonably estimated is based on currently available information and is subject to significant judgment, a variety of assumptions and uncertainties.

When a potential loss is probable and the loss or range of loss can be estimated, the Company will accrue the most likely amount within that range. No liability is recognized for those matters which, in management's judgment, the determination of a reasonable estimate of potential loss is not possible, or for which a potential loss is not determined to be probable.

The determination of these liability amounts requires significant judgment on the part of management. See Note 13 - *Commitments and Contingencies* for additional information.

Recently Issued Accounting Pronouncements

In November 2024, FASB issued Accounting Standards Update ("ASU") 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*: *Disaggregation of Income Statement Expenses*, which requires public business entities to disclose, in interim and annual reporting periods, additional information about certain expenses in the notes to financial statements. The ASU should be applied prospectively and is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact on the related disclosures; however, it does not expect this update to have an impact on its financial condition or results of operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Recently Adopted Accounting Pronouncements

There was no new accounting pronouncements adopted during the three and nine months ended September 30, 2026 that materially impacted the Company's condensed consolidated financial statements and related disclosures.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current period presentation. Such reclassifications had no impact on previously reported net income or stockholders' equity.

3. REVENUES FROM CONTRACTS WITH CUSTOMERS

Revenues from contracts with customers are recognized when control of the promised services is transferred to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. Revenues are analyzed to determine whether the Company is the principal (i.e., reports revenues on a gross basis) or agent (i.e., reports revenues on a net basis) in the contract. Principal or agent designations depend primarily on the control an entity has over the product or service before control is transferred to a customer. The indicators of which party exercises control include primary responsibility over performance obligations and risk before the good or service is transferred and discretion in establishing the price.

Commissions

Commission revenues represent sales commissions generated by advisors for their clients' purchases and sales of securities on exchanges and over-the-counter, as well as purchases of other investment products. The Company views the selling, distribution and marketing, or any combination thereof, of investment products to such clients as a single performance obligation to the product sponsors.

The Company is the principal for commission revenues, as it is responsible for the execution of the clients' purchases and sales and maintains relationships with the product sponsors. Advisors assist the Company in performing its obligations. Accordingly, total commission revenues are reported on a gross basis.

The Company generates two types of commission revenues: sales-based commissions that are recognized at the point of sale on the trade date and trailing commissions that are recognized over time as earned. Sales-based commission revenues vary by investment product and are based on a percentage of an investment product's current market value at the time of purchase. Trailing commission revenues are generally based on a percentage of the current market value of clients' investment holdings in trail-eligible assets, and are recognized over the period during which services, such as ongoing support, are performed. As trailing commission revenues are based on the market value of clients' investment holdings, the consideration is variable, and an estimate of the variable consideration is constrained due to dependence on unpredictable market impacts. The constraint is removed once the value of the clients' investment holdings can be determined.

Advisory Fees

Advisory fees represent fees charged to advisors' clients' accounts on the Company's corporate advisory platform. The Company provides ongoing investment advice, brokerage and execution services on transactions, and performs administrative services for these accounts. This series of performance obligations transfers control of the services to the client over time as the services are performed. These revenues are recognized ratably over time to match the continued delivery of the performance obligations to the client over the life of the contract. The advisory revenues generated from the Company's corporate advisory platform are based on a percentage of the market value of the eligible assets in the clients' advisory accounts. As such, the consideration for these revenues is variable and an estimate of the variable consideration is constrained due to dependence on unpredictable market impacts on client portfolio values. The constraint is removed once the value of the clients' investment holdings can be determined.

3. REVENUES FROM CONTRACTS WITH CUSTOMERS *(continued)*

The Company provides advisory services to clients on its corporate advisory platform through the advisor. The Company is the principal in these arrangements and recognizes advisory revenues on a gross basis, as the Company is responsible for satisfying the performance obligations and has control over determining the fees.

The following table presents total revenue from contracts with customers disaggregated by investment product for the periods ended September 30 *(in thousands)*:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Revenue From Contracts With Customers	**2026**	**2025**	**2026**	**2025**
Variable annuities and other insurance commissions	$ 30,097	$ 27,532	$ 85,085	$ 78,185
Mutual fund commissions	6,926	5,896	20,245	17,431
Securities commissions	3,212	2,981	9,966	8,997
Alternative investments	1,024	961	3,778	7,893
Advisory fees	8,145	7,407	22,805	20,948
Total Revenue From Contracts With Customers	$ 49,404	$ 44,777	$ 141,879	$ 133,454

The following tables presents sales-based and trailing revenues disaggregated by product category for the periods ended September 30 *(in thousands)*:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Sales-based (Point in time)	**2026**	**2025**	**2026**	**2025**
Variable annuities and other insurance commissions	$ 13,521	$ 11,208	$ 36,186	$ 31,643
Mutual fund commissions	1,275	1,202	4,207	3,267
Securities commissions	3,212	2,981	9,966	8,997
Alternative investments	917	955	3,500	7,717
Total Sales Based Revenues	$ 18,925	$ 16,346	$ 53,859	$ 51,624

	Three Months Ended September 30,		Nine Months Ended September 30,	
Trailing (Over time)	**2026**	**2025**	**2026**	**2025**
Variable annuities and other insurance commissions	$ 16,576	$ 16,324	$ 48,899	$ 46,542
Mutual fund commissions	5,651	4,694	16,038	14,164
Advisory fees	8,145	7,407	22,805	20,948
Alternative investments	107	6	278	176
Total Trailing Revenues	30,479	28,431	88,020	81,830
Total Revenue From Contracts With Customers	$ 49,404	$ 44,777	$ 141,879	$ 133,454

Contract Balances

The timing of revenue recognition may differ from the timing of payment by the Company's customers. The Company records a receivable when revenue is recognized prior to payment and there is an unconditional right to payment. The Company records a contract asset when the Company has recognized revenue prior to payment but the Company's right to payment is conditional on something other than the passage of time. Alternatively, when payment precedes the provision of the related services, the Company records deferred revenues (a contract liability) until the performance obligations are satisfied. As of September 30, 2026, and December 31, 2025, the Company had receivables from contracts with customers totaling approximately $11.6 million and $11.1 million, respectively. The opening balance of receivables from contracts with customers was approximately $10.1 million as of January 1, 2025. As of September 30, 2026, and December 31, 2025, the Company had no liabilities from contracts with customers.

3. REVENUES FROM CONTRACTS WITH CUSTOMERS *(continued)*

Interest and Other Income

The Company earns interest income from client margin accounts and cash equivalents. This revenue is not generated from contracts with customers. Additionally, the Company receives marketing fees and sponsorship income.

4. FAIR VALUE

FASB ASC 820, Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard establishes the following hierarchy used in fair value measurements and expands the required disclosures of assets and liabilities measured at fair value:

- Level 1 - Inputs use quoted unadjusted prices in active markets for identical assets or liabilities that the Company can access.
- Level 2 - Fair value measurements use other inputs that are observable, either directly or indirectly. These inputs include quoted prices for similar assets and liabilities in active markets as well as other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 - Inputs that are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability. The inputs or methodology used for valuing assets and liabilities are not necessarily an indication of the risk associated with investing in those assets and liabilities.

Certain financial instruments are carried at cost on the statement of financial condition, which approximates fair value due to their short-term, highly liquid nature. The carrying value of debt approximates their fair value since the interest rates on these obligations represent current market rates.

Derivatives are valued using quoted market prices for identical instruments when available or observable inputs from forward and futures yield curves. The valuation models use required observable inputs including contractual terms, market process, yield curves, credit curves and measures of volatility. Our derivatives are classified as Level 2. The counterparty to our derivative transaction is a regulated bank. Management has determined that the counterparty credit risk associated with its derivative transaction is not significant. Accordingly, the recorded fair value has not been adjusted to reflect counterparty risk.

5. DEBT

On December 23, 2024 (the "Credit Agreement Closing Date"), BMS entered into a Credit Agreement (the "Credit Agreement") with Byline Bank, as lender (the "Lender"), pursuant to which the Lender agreed, at BMS's request, to (i) make to BMS a term loan in the original principal amount of $20.3 million (the "Term Loan"), which was funded on the Credit Agreement Closing Date; (ii) make to BMS, from time to time, certain non-revolving loans (the "Non-Revolving Loans") in an aggregate principal amount of up to $1.0 million (the "Non-Revolving Loan Commitment"), to be funded through, but excluding, the Maturity Date (as defined below); and (iii) issue to BMS, from time to time, letters of credit (the "Letters of Credit" and together with the Term Loan and Non-Revolving Loans, the "Loans") until the earliest to occur of (a) the one year from the Credit Agreement Closing Date and (b) the date on which the Non-Revolving Loans are fully drawn. As of September 30, 2026 and December 31, 2025, the outstanding balance under the Term Loan was $16.3 million and $17.7 million, respectively, net of unamortized debt issuance costs.

Under the terms of the Credit Agreement, to the extent that BMS requests a Letter of Credit, the Non-Revolving Loan Commitment shall be permanently reduced in an amount equal to the amount of such Letter of Credit. The Non-Revolving Loans may not be requested by BMS and may only be advanced in connection with a repayment of a Letter of Credit ("LC Payment"). As of September 30, 2026 and December 31, 2025, the amounts outstanding under the Non-Revolving Loan or Letter of Credit was $0.05 million and $0.00 million, respectively. The Letters of Credit were issued to support two office leases. The Letters of Credit are due on demand and carry an interest rate at the same rate as the Term Loan as outlined below.

The Loans (both principal and interest) made by the Lender to BMS is scheduled to mature and become immediately due and payable in full on December 23, 2029 ("Maturity Date"). The obligations under the Credit Agreement shall bear interest (i) as to the Term Loan, a per annum variable interest rate equal to the Applicable Margin (as defined in the Credit Agreement) plus the greater of (x) the Term Secured Overnight Financing Rate ("SOFR") (as defined in the Credit Agreement) and (y) one percent (1.00%) (the "Term Loan Interest Rate"); (ii) as to the Non-Revolving Loans or any reimbursement obligations relating to a Letter of Credit, at an interest rate equal to the Term SOFR plus four percent (4.00%) per annum; and (iii) if any other obligations is created under the Loan Documents (as defined in the Credit Agreement), at the Term Loan Interest Rate. As of September 30, 2026 and December 31, 2025, the effective interest rate was approximately 7.7% and 7.9%, respectively.

On April 10, 2025, BMS entered into an interest rate swap agreement with a notional amount of $10.0 million in connection with the above-mentioned Credit Agreement. Under the terms of the swap, BMS pays a fixed rate of 3.98% plus four percent (4.00%) and receives a variable interest rate based on SOFR plus 4.00% as defined above. The swap agreement requires monthly payments to be made or received. The swap is designated as cash flow hedge of the variability of the SOFR-based interest payments on $10 million of BMS's outstanding variable-rate debt.

As of September 30, 2026 and December 31, 2025, the interest rate swap had a fair value asset and liability of approximately $0.1 million and $0.2 million, respectively which is included in accounts payable, accrued expenses and other liabilities on the condensed consolidated statements of financial condition. The Company has adopted the shortcut method allowing it to assume perfect hedge effectiveness. Changes in the effective portion of the swap's fair value are recognized in accumulated other comprehensive income ("AOCI") and included on the condensed consolidated statement of other comprehensive income.

The Credit Agreement also includes customary covenants for a transaction of this type, including financial covenants whereby BMS and its subsidiaries on a consolidated basis may not have, as of the last day of each fiscal quarter, commencing with fiscal quarter ending on March 31, 2025, (i) a fixed charge coverage ratio as of the last day of the fiscal quarter for the twelve (12) month period then ended of not less than 1.20 to 1.00; (ii) a senior net leverage ratio as of the last day of such Fiscal Quarter for the twelve (12) month period then ended, of (A) for the fiscal quarter ended March 31, 2025 and each fiscal quarter through and including September 30, 2025, not more than 3.00 to 1.00; and (B) for the fiscal quarter ended December 31, 2025 and each fiscal quarter ending thereafter, not more than 2.75 to 1.00; or (iii) an annualized revenue received from custodians of at least $18.0 million.

The minimum calendar maturities of the Term Loan as of September 30, 2026, are as follows ***(in thousands)***:

2026	$ 507
2027	3,045
2028	3,045
2029	10,150
	$ 16,747

6. PROMISSORY NOTES – AFFILIATES

On November 30, 2017, WMS issued subordinated promissory notes in the aggregate principal amount of approximately $3.6 million to certain sellers in connection with the acquisition of the PKSH Entities. These notes had a maturity date of May 17, 2023 and accrued interest at a rate of 10% annually. The interest on these notes continued to accrue until such time as these notes were restructured.

Additionally, in connection with the acquisition of the PKSH Entities, the Company agreed to pay contingent consideration in the amount of $5.0 million to certain sellers. The conditions related to this contingency were met on November 30, 2018, and thus the notes had been issued to the sellers. These subordinated promissory notes had a maturity date of May 30, 2023, and accrued interest at a rate of 10% annually. The interest on these notes continued to accrue until such time as these notes were restructured.

In connection with the restructuring of these notes, the Company paid approximately $3.4 million on these notes. In addition to the paydown, the noteholders (all of whom are stockholders and/or key employees) agreed to forgive the remaining accrued but unpaid interest of approximately $3.8 million and entered into new promissory notes in the principal amount of approximately $5.3 million in the aggregate. The amounts outstanding as of September 30, 2026 and December 31, 2025 are $5.3 million. The terms of these new promissory notes provide for maturity on May 15, 2027 and carries an interest rate of Prime plus 1.00%, but no less than 7.50% per annum. Related interest expense was approximately $0.1 million for the three months ended September 30, 2026 and 2025, respectively and $0.4 million for the nine months ended September 30, 2026 and 2025, respectively.

7. SERIES A REDEEMABLE CONVERTIBLE PREFERRED STOCK

On March 15, 2024 (the "Funding Date"), Binah Capital and BMS entered into a Subscription Agreement with an investor for the purchase of 1,500,000 shares of Holdings' Series A Redeemable Convertible Preferred Stock (the "***Holdings Series A Stock***") in a private placement at $9.60 per share, for an aggregate purchase price of $14,400,000 (the "***Series A PIPE***"). The Holdings Series A Stock may be converted into shares of Holdings Common Stock after the second anniversary of the closing of the Series A PIPE, which such conversion shall initially be 1.5 shares of Holdings Common Stock for each share of Series A Convertible Preferred Stock, subject to certain adjustments provided in the Certificate of Designations.

Additionally, the Holdings Series A Stock carries a cumulative dividend at a rate of nine percent (9%) per annum, payable and compounded quarterly on the last day of each quarter. At the discretion of Holdings, the payment may be made in cash or up to 50% of the amount due, in duly authorized, validly issued, fully paid and non-assessable share of Holdings Series A Stock at a value of $10 per share. As of September 30, 2026 and December 31, 2025, the Company accrued 50% of the dividend to be paid in cash in the approximate amount of $0.2 million and paid an in-kind dividend in the approximate amount of $0.2 million.

The Holdings Series A Stock has liquidation preferences in the event of a voluntary or involuntary liquidation as follows:

- The greater of $12.50 per share of Holdings Series A Stock if such liquidation occurs prior to the first anniversary of the Funding Date;
- $13.00 per share of Holdings Series A Stock if such liquidation occurs prior to the second anniversary of the Funding Date;
- $15.00 per share of Holdings Series A Stock if such liquidation occurs prior to the third anniversary of the Funding Date;
- $16.00 per share of Holdings Series A Stock if such liquidation occurs prior to the fourth anniversary of the Funding Date.

Holdings, at its option, may redeem the Series A Stock on any anniversary of the Funding date up to and including the fourth anniversary of the Funding date at the following redemption prices:

- $11.50 per share of Series A Stock on the first anniversary of the Funding Date;
- $13.00 per share of Series A Stock on the second anniversary of the Funding Date;
- $15.00 per share of Series A Stock on the third anniversary of the Funding Date;
- $16.00 per share of Series A Stock on the fourth anniversary of the Funding Date;

If the Series A Stock have not previously been redeemed or converted, the Series A Stock will be redeemed by Holdings on the fourth anniversary of the Funding Date.

8. SERIES B CONVERTIBLE PREFERRED STOCK

On September 4, 2024, the Company entered into a Subscription Agreement with an investor for the purchase of 150,000 shares of Holdings' Series B Convertible Preferred Stock, par value $.0001 (the "***Holdings Series B Stock***") in a private placement at $10.00 per share, for an aggregate purchase price of $1.5 million. The Holdings Series B Stock may be converted into shares of Holdings Common Stock, at the option of the investor at a rate equal to the quotient of (i) $10.00 divided, by (ii) the product of (A).80 multiplied by, (B) the volume weighted average price for the 20 trading days during the 30-day period immediately prior to such conversion, provided that in no event shall the denominator be less than $6.00 per share (the "Conversion Rate").

Additionally, the Holdings Series B Stock carries a cumulative dividend at a rate of seven percent (7%) per annum, payable and compounded quarterly on the last day of each quarter. At the discretion of Holdings, the payment may be made in cash or up to 50% of the amount due, in duly authorized, validly issued, fully paid and non-assessable share of Holdings Series B Stock at a value of $10 per share. As of September 30, 2026 and December 31, 2025, included in accounts payable, accrued expenses and other liabilities on the accompanying condensed consolidated statements of financial condition is an accrued dividend in the amount of $0.03 million that was paid subsequently.

The Company may, at its option, in whole, or part, redeem the Holdings Series B Stock any time after the first anniversary of the date of the Subscription Agreement at a redemption price equal to the greater of (i) $12.00 per share of Holdings Series B Stock, plus accrued but unpaid dividends or (A) 1.20 multiplied by (B) the volume weighted average price for 20 trading days during the 30-day period immediately prior to the redemption; provided that such price shall not be greater than $20.00.

9. SHARE-BASED COMPENSATION

The Binah Capital Group, Inc. 2024 Equity Incentive Plan (the "Plan") was established and effective March 15, 2024. The purpose of the Plan is to advance the interests of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Company and by motivating such persons to contribute to the growth and profitability of the Company. The Plan seeks to achieve this purpose by providing for Awards in the form of Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Performance Shares, Performance Units, Cash-Based Awards and Other Stock-Based Awards.

Subject to adjustment as provided in the Plan, the maximum aggregate number of shares of Stock that may be issued under the Plan shall be equal to 1,600,000 shares (the "***Base Reserve***") plus an annual increase, effective as of the first day of the Company's fiscal year beginning in the year following the fiscal year in which the Company's stockholders approved the Plan and the first day of each subsequent fiscal year through and including the first day of the Company's fiscal year beginning on the tenth (10th) anniversary of the commencement of such annual increase, equal to the lesser of (i) ten percent (10%) of the number of shares of Stock outstanding as of the conclusion of the Company's immediately preceding fiscal year, or (ii) such amount, if any, as the Board may determine, and such shares shall consist of authorized but unissued or reacquired shares of Stock or any combination thereof. On August 17, 2026, the Company filed a Registration on Form S-8 for the purpose of registering an additional 2,650,000 shares of the Company's common stock, par value of $0.0001 per share issuable under the Plan. As a result, pursuant to the Amendment No.1 to the Plan the aggregate number of shares of common stock authorized for issuance under the Plan increased to 4,729,671 shares of Common Stock.

Stock Options

The following table summarizes the Company's stock option activity as of and for the nine months ended September 30, 2026:

	Number of Shares
Outstanding - January 1, 2026	872,500
Granted	—
Exercised	—
Forfeited and Expired	—
Outstanding - September 30, 2026	872,500
Exercisable	613,889
Exercisable and expected to vest September 30, 2026	613,889

9. SHARE-BASED COMPENSATION *(continued)*

The following table summarizes information about the outstanding options as of September 30, 2026:

Exercise Price	Number of Shares Outstanding	Outstanding Weighted-Average Exercise Price	Weighted-Average Remaining Life (Years)	Number of Shares Exercisable	Exercisable Weighted-Average Exercise Price
$2.04	872,500	$ 2.04	1.28	613,889	$ 2.04

Restricted Stock and Stock Units

The following summarizes the Company's activity in its restricted stock awards and stock units as of and for the nine months ended September 30, 2026:

	Restricted Stock Awards		Restricted Stock Units	
	Number of Shares	Weighted-Average Grant Date Fair Value	Number of Units	Weighted-Average Grant Date Fair Value
Outstanding - January 1, 2026	112,843	$ 2.01	500,000	$ 2.04
Granted	94,828	$ 2.32	—	$ —
Vested	94,828	$ 2.32	250,000	$ 2.04
Forfeited	—	—	—	$ —
Outstanding - September 30, 2026	207,671	$ 2.15	250,000	$ 2.04
Expected to vest - September 30, 2026	207,671	$ 2.15	—	$ —

The Company grants restricted stock awards and restricted stock units to its employees and officers. Restricted stock awards and stock units must vest or are subject to forfeiture; however restricted stock awards are included in shares outstanding upon grant and have the same dividend and voting rights as the Company's common stock. The Company recognized $0.2 million and $0.7 million of share-based compensation expense related to the vesting of the restricted stock awards and stock options during the three and nine months ended September 30, 2026. As of September 30, 2026, total unrecognized cost for restricted stock units and stock options was $0.6 million, which is expected to be recognized over the remaining period of 0.92 years.

10. WARRANTS

The following table summarizes the warrants outstanding as of September 30, 2026 and December 31, 2025:

Class of Warrants	Number Outstanding
Warrants	15,147,958

Each whole warrant entitles the registered holder to purchase one share of Class A common stock at a price of $11.50 per share. A holder may exercise its warrants only for a whole number of shares of Class A common stock. No fractional warrants will be issued upon separation of the units and only whole warrants will trade. The Company may redeem the warrants at a price of $0.01 per share if the closing price of the Company's Class A common stock equals or exceeds $18.00 per share for any 20 trading days within a 30-trading day period. The warrants will expire five years after the Closing Date or earlier upon redemption or liquidation.

The warrants are classified as derivative liabilities under ASC Topic 480 or ASC Topic 815. At September 30, 2026 and December 31, 2025, the fair value of the warrant liabilities is approximately $1.0 million and $2.3 million, respectively and is included in accounts payable, accrued expenses and other liabilities on the accompanying condensed consolidated statements of financial condition. For the three and nine months ended September 30, 2026, included in other expenses on the condensed consolidated statements of operations is unrealized gain on the warrants in the amount of approximately $1.3 million and $1.2 million, respectively. For the three and nine months ended September 30, 2025, included in other expenses on the condensed consolidated statement of operations is unrealized gain on the warrants in the amount of approximately $0.05 million and $0.4 million, respectively.

11. INCOME TAXES

For the year ending December 31, 2025, Binah Capital has elected to file a consolidated tax return which will include all subsidiaries including Binah Capital Corp., BMS, the PKSH Entities, the Cabot Entities and WEG. Therefore, these consolidated financial statements include an income tax provision for all the taxable entities. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases and net operating loss carryforwards.

The effective tax rate was approximately 34.6% and 31.5% for the three and nine months ended September 30, 2026. The effective income tax rate was approximately 9.7% and 24.8% for the three and nine months ended September 30, 2025. The effective rates differed from the statutory rate primarily due to state taxes, warrant revaluations, and other permanent differences.

12. NET INCOME PER SHARE

The Series A and Series B Preferred Stock do not have similar economic rights to the common stock and management does not consider them to be in substance common shares for earnings per share ("EPS") purposes. As a result, the weighted average Series A and Series B Preferred Stock outstanding during the period was not included in the calculation of weighted average common stock outstanding. Diluted earnings per share is computed by including the dilutive effect of the conversion of all potential common stock equivalents (which includes warrants, Series A Preferred Stock, Series B Preferred Stock, options and unvested restricted stock) and accordingly, as applicable adjusting net income to add back any changes in earnings that reduce earnings per common share in the period associated with the potential common stock equivalents.

The computation of income per share and weighted average of the Company's common stock outstanding for the three and nine months ended September 30, 2026 and 2025 is as follows *(in thousands)*:

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Net income	$ 2,646	$ 1,760	$ 4,885	$ 2,141
Series A preferred dividends	382	366	1,122	1,075
Series B preferred dividends	26	26	78	80
Net income available to common shareholders	2,238	1,368	3,685	986
Shares for basic and diluted calculation				
Average shares used in basic computation	17,060	16,709	16,875	16,638
Dilutive effect of unvested stock units	—	11	—	283
Average shares used in diluted computation	17,060	16,720	16,875	16,921
Earnings per common share				
Basic	$ 0.13	$ 0.08	$ 0.22	$ 0.06
Diluted	$ 0.13	$ 0.08	$ 0.22	$ 0.06

The following table details the securities that have been excluded from the calculation of weighted-average shares for diluted earnings per share for the period presented as they were anti-dilutive *(in thousands)*.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months September 30, 2025
Warrants	15,148	15,148	15,148	15,148
Series A preferred stock	1,681	1,608	1,681	1,608
Series B preferred stock	150	150	150	150
Stock options	873	873	873	873

13. COMMITMENTS AND CONTINGENCIES

Litigation

Certain conditions may exist as of the date the condensed consolidated financial statements are issued which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company, or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the accompanying condensed consolidated financial statements. If the assessment indicates that a potentially material loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability and an estimate of the range of possible losses, if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed, unless they involve guarantees, in which case the guarantees would be disclosed.

There can be no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

The Company is a defendant or respondent in various pending and threatened arbitrations, administrative proceedings and lawsuits seeking compensatory damages. Claim amounts are infrequently indicative of the actual amounts the Company will be liable for, if any. Many of these claimants also seek, in addition to compensatory damages, punitive or treble damages, and all seek interest, costs and fees. These matters arise in the normal course of business. The Company intends to vigorously defend itself in these actions, and the ultimate outcome of these matters cannot be determined at this time.

In many lawsuits, arbitrations, and regulatory proceedings, it is not possible to determine whether a liability has been incurred or to estimate the amount of that liability until the matter is close to resolution. However, accruals are reviewed regularly and are adjusted to reflect management's estimates of the impact of developments, rulings, advice of counsel and any other information pertinent to a particular matter.

Because of the inherent difficulty in predicting the ultimate outcome of legal and regulatory actions, management cannot predict with certainty the eventual loss or range of loss related to such matters. The Company believes, based upon current information, that the outcome of any such legal proceeding, claim, dispute, or investigation will not have a material effect on the Company's financial position, results of operations or cash flows. However, the actual outcomes of such legal proceedings, claims, disputes, or investigations could be material to the Company's operating results and cash flows for a particular future period as additional information is obtained.

Indemnification

The activities of the Company's customers are transacted on either a cash or margin basis through the facilities of its clearing broker. In margin transactions, the clearing broker extends credit to the customers, subject to various regulatory and margin requirements, collateralized by cash and securities in the customer's account. In connection with these activities, the clearing broker may also execute and clear customer transactions involving the sale of securities not yet purchased.

These transactions may expose the Company to significant off-balance sheet risk in the event margin requirements are not sufficient to fully cover losses which the customers may incur. In the event the customers fail to satisfy their obligations to the clearing broker, the Company may be required to compensate the clearing broker for losses incurred on behalf of the customers.

The Company, through its clearing broker, seeks to control the risk associated with its customers' activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines.

As of September 30, 2026 and December 31, 2025, management of the Company had not been notified by any clearing brokers, nor were they otherwise aware of any potential losses relating to this indemnification.

14. COMMON STOCK, PREFERRED STOCK AND STOCKHOLDERS' EQUITY

The Company is authorized to issue 57,500,000 shares consisting of the following:

- 2,000,000 shares of Series A Preferred Stock, par value $0.0001 per share, 1,681,000 shares issued and outstanding as of September 30, 2026; and
- 500,000 shares of Series B Preferred Stock, par value $0.0001 per share, 150,000 shares issued and outstanding as of September 30, 2026; and
- 55,000,000 shares of Common Stock, par value $0.0001 per share, 17,060,131 shares issued and outstanding as of September 30, 2026.

15. NET CAPITAL REQUIREMENTS

The Company operates four registered broker-dealers that are subject to the SEC Uniform Net Capital Rule (Rule 15c3-1). This requires the Company to maintain certain minimum net capital requirements. As of September 30, 2026 and December 31, 2025, all broker-dealers had net capital in excess of the required minimums.

16. CREDIT RISK AND CONCENTRATIONS

Financial instruments that subject the Company to credit risk consist principally of receivables and cash and cash equivalents. The Company performs certain credit evaluation procedures and does not require collateral for financial instruments subject to credit risk. The Company believes that credit risk is limited because the Company routinely assesses the financial strength of its counterparties and, based upon factors surrounding the credit risk of its counterparties, establishes an allowance for credit losses and, consequently, believes that its receivables credit risk exposure beyond such allowances is limited.

17. SEGMENT INFORMATION

The Company's Chief Operating Decision Maker ("CODM") is the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

Management of the Company has determined that it has one reportable segment, given the common nature of the Company's operations, products and services, and regulatory environment. The Company provides a platform of brokerage and investment advisory services to independent financial advisors and advisors at other financial services companies from which the Company derives its revenues and incurs expenses. See Note 3 – *Revenue from Contracts with Customers*.

The CODM regularly reviews net income/(loss) before the provision or benefit for income taxes as presented in the Company's condensed consolidated statements of operations for purposes of assessing performance and making decisions regarding the allocation of resources. Expenses regularly reviewed by the CODM include those line items reported on the Company's condensed consolidated statements of operations, the most significant of which includes commissions and fees, employee compensation and benefits and professional fees. See the condensed consolidated statements of operations and Note 2 – *Summary of Significant Accounts Policies* for additional information about these line items and the related accounting policies.

18. SUBSEQUENT EVENTS

The Company evaluated subsequent events that occurred after the balance sheet date up to the date that the condensed consolidated financial statements were available to be issued.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Any reference to "Binah Capital Group, Inc." or the "Company," "we," "our" or "us" refers to Binah Capital Group, Inc. and our consolidated subsidiaries, unless the context otherwise requires. The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the condensed consolidated financial statements and the notes thereto contained elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements and the sections entitled "Part I, Item 1A. Risk Factors" and "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC. Except for historical information, the discussion in this section contains forward-looking statements that involve risks and uncertainties, as discussed in the "Cautionary Note Regarding Forward Looking Statements." Future results could differ materially from those discussed below for many reasons, including the risks described in Item 1A—"Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025.

Business Overview

The Company is a leading consolidator of retail wealth management businesses that owns and operates ten entities, four of which are broker-dealers, three of which are registered investment advisors, and three of which are insurance entities, that have over 1,600 registered individuals working within the financial services industries.

The Company focuses on three critical areas comprised of the hybrid, independent, and W2 business models to allow affiliated advisors to choose the operating model that works best for them and run their practices on their own terms. The Company's platform adds to its flexibility by providing a variety of custody and clearing firm options to accommodate the unique business needs of advisors.

Our Sources of Revenue

Our revenue is derived primarily from fees and commissions from products and advisory services offered by our advisors to their clients, a substantial portion of which we pay out to our advisors.

Executive Summary

Financial Highlights

Results for the three and nine-month period ended September 30, 2026 included net income of approximately $2.6 million and $4.9 million, respectively and total revenue of approximately $50.6 million and $145.8 million, respectively, which compares to a net income and total revenue of $1.8 million and $2.1 million, and approximately $46.2 million and $136.6 million, respectively, for the three and nine-month period ended September 30, 2025.

Asset Trends

Total advisory and brokerage assets served were $31.4 billion at September 30, 2026, compared to $29.9 billion at September 30, 2025. Total net new assets were $(0.9) billion and $(2.5) billion for the three and nine-month period ended September 30, 2026, respectively, compared to $(0.2) billion and $(1.3) billion for the same period in 2025.

Net new advisory assets were $(0.1) billion and $0.0 billion for the three and nine-month period ended September 30, 2026, respectively, compared to $0.0 billion and $0.0 billion for the same period in 2025. Advisory assets were $3.3 billion at September 30, 2026, which is an increase of 12.3% as compared to $2.9 billion at September 30, 2025.

Net new brokerage assets were $(0.8) billion and $(2.5) billion for the three and nine-month period ended September 30, 2026, compared to $(0.2) billion and $(1.3) billion for the same period in 2025. Brokerage assets were $28.1 billion at September 30, 2026, up 4.0% from $27.0 billion on September 30, 2025.

Gross Profit Trend

Gross profit, a non-GAAP financial measure, was $10.0 million and $30.0 million for the three and nine-month period ended September 30, 2026, respectively, an increase of 11.1% and 13.9% from $9.0 million and $26.4 million for the same period in 2025. See the *"Key Performance Metrics and Non-GAAP Financial Measures"* section for additional information on gross profit.

Key Performance Metrics and Non-GAAP Financial Measures

We focus on several key metrics in evaluating the success of our business relationships and our resulting financial position and operating performance. Our key metrics of Gross Profit and EBITDA are "non-GAAP financial measures." Our management periodically uses certain "non-GAAP financial measures," as such term is defined under the rules of the SEC, to supplement our financial information presented in accordance with GAAP and to clarify and enhance understanding of past performance and prospects for the future. Generally, a non-GAAP financial measure is a numerical measure of a company's operating performance, financial position or cash flows that excludes or includes amounts that are included in or excluded from the most directly comparable measure calculated and presented in accordance with GAAP. Management believes that the non-GAAP financial measures of Gross Profit and EBITDA provide investors and analysts useful insight into our financial position and operating performance. Any non-GAAP measure provided should be viewed in addition to, and not as an alternative to, the most directly comparable measure determined in accordance with U.S. GAAP. Further, the calculation of these non-GAAP financial measures may differ from the calculation of similarly titled financial measures presented by other companies and therefore may not be comparable among companies.

Gross Profit

Gross profit is defined as total revenue less commissions paid to financial advisors and registered representatives and other fees that generate the revenue. We consider our gross profit amounts to be non-GAAP financial measures that may not be comparable to those of others in our industry. We believe that gross profit amounts can provide investors with useful insight into our core operating performance before other costs that are general and administrative in nature.

EBITDA and Adjusted EBITDA

EBITDA is a non-GAAP financial measure defined as net income plus interest expense, provision for income taxes, and depreciation and amortization. Adjusted EBITDA is defined as EBITDA, a non-GAAP measure, plus non-recurring costs related to our business combination, costs related to the re-financing of the senior credit facility, and share-based compensation costs. The Company presents EBITDA and Adjusted EBITDA because management believes that it can be a useful financial metric in understanding the Company's earnings from operations. EBITDA and Adjusted EBITDA are not measures of the Company's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP.

A reconciliation of our non-GAAP financial measures to their most directly comparable GAAP financial measures appears below in the footnotes to the table of our key operating, business and financial metrics.

Our key operating, business and financial metrics are as follows:

Operating Metric (dollars in billions)	As of September 30,	
Advisory and Brokerage Assets	**2026**	**2025**
Brokerage assets	$ 28.1	$ 27.0
Advisory assets	3.3	2.9
Total Advisory and Brokerage Assets	$ 31.4	$ 29.9

	Three Months Ended September 30,		Nine Months Ended September 30,	
Net New Assets	**2026**	**2025**	**2026**	**2025**
Net new brokerage assets	$ (0.8)	$ (0.2)	$ (2.5)	$ (1.3)
Net new advisory assets	(0.1)	0.0	0.0	0.0
Total Net New Assets	$ (0.9)	$ (0.2)	$ (2.5)	$ (1.3)

Financial Metrics (dollars in millions)	For the three months ended September 30, 2026	2025	For the nine months ended September 30, 2026	2025
Total revenue	$ 50.6	$ 46.2	$ 145.8	$ 136.6
Net income	$ 2.6	$ 1.8	$ 4.9	$ 2.1
Non-GAAP Financial Metrics (dollars in millions)				
Gross Profit[1]	$ 10.0	$ 9.0	$ 30.1	$ 26.4
EBITDA[2]	$ 4.7	$ 2.7	$ 9.1	$ 5.0
Adjusted EBITDA[2]	$ 4.9	$ 2.9	$ 9.8	$ 5.6

(1) Gross profit is a non-GAAP financial measure defined as total revenue less commissions paid to financial advisors and registered representatives and other fees that generate the revenue. We consider our gross profit amounts to be non-GAAP financial measures that may not be comparable to those of others in our industry. We believe that gross profit amounts can provide investors with useful insight into our core operating performance before other costs that are general and administrative in nature. Below is a calculation of gross profit for the periods presented (in millions):

Gross Profit	For the three months ended September 30, 2026	2025	For the nine months ended September 30, 2026	2025
Total revenue	$ 50.6	$ 46.2	$ 145.8	$ 136.6
Commission and fees	40.6	37.2	115.7	110.2
Gross Profit	$ 10.0	$ 9.0	$ 30.1	$ 26.4

(2) EBITDA and Adjusted EBITDA are non-GAAP financial measures. EBITDA is defined as net income plus interest expense, provision for income taxes, and depreciation and amortization. Adjusted EBITDA is defined as EBITDA plus non-recurring costs share-based compensation costs. The Company presents EBITDA and Adjusted EBITDA because management believes that it can be a useful financial metric in understanding the Company's earnings from operations. EBITDA and Adjusted EBITDA are not measures of the Company's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP. Below is a reconciliation of net income to EBITDA and Adjusted EBITDA for the periods presented (in millions):

EBITDA Reconciliation	For the three months ended September 30, 2026	2025	For the nine months ended September 30, 2026	2025
Net income	$ 2.6	$ 1.8	$ 4.9	$ 2.1
Interest expense	0.5	0.5	1.5	1.6
Provision for income taxes	1.4	0.2	2.2	0.8
Depreciation and amortization	0.2	0.2	0.5	0.5
EBITDA	4.7	2.7	9.1	5.0
Share-based compensation	0.2	0.2	0.7	0.6
Adjusted EBITDA	$ 4.9	$ 2.9	$ 9.8	$ 5.6

Economic Overview and Impact of Financial Market Events

Our business is directly and indirectly sensitive to several macroeconomic factors and the state of the United States financial markets.

Our business is also sensitive to current and expected short-term interest rates, which are largely driven by Federal Reserve Board policy. During the third quarter of 2026, Federal Reserve Board policymakers increased interest rates by 0.25% to a target range for the federal funds rate in the 3.75% to 4.00% range. The equity markets increased during the third quarter of 2026 resulting in the S&P 500 increasing approximately 3.0%, bringing the year-to-date performance to approximately 18.8%.

Please consult the Factors Affecting Our Financial Condition and Results of Operations, including those described in the section titled "*1A. Risk Factors*" in our Annual Report on Form 10-K for year ended December 31, 2025.

Basis of Presentation

Our condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Currently, we conduct business through one operating segment. The condensed consolidated financial statements have been prepared assuming that we will continue as a going concern. See Note 2 in the accompanying condensed consolidated financial statements for further details.

Results of Operations

The following presents an analysis of our results of operations for the three and nine-month periods ended September 30, 2026 and 2025 (*in thousands*):

	For the three months ended September 30,			For the nine months ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Revenues:						
Revenue from Contracts with Customers:						
Commissions	$ 41,259	$ 37,370	10.4 %	$ 119,074	$ 112,506	5.8 %
Advisory Fees	8,145	7,407	10.0 %	22,805	20,948	8.9 %
Total Revenue from Contracts with Customers	49,404	44,777	10.3 %	141,879	133,454	6.3 %
Interest and other income	1,157	1,421	(18.6)%	3,899	3,178	22.7 %
Total revenues	$ 50,561	$ 46,198	9.4 %	$ 145,778	$ 136,632	6.7 %

	For the three months ended September 30,			For the nine months ended September 30,		
	2026	2025	% Change	2026	2025	% Change
Expenses:						
Commissions and fees	40,567	37,202	9.0 %	115,736	110,240	5.0 %
Employee compensation and benefits	4,728	4,679	1.0 %	14,369	13,956	3.0 %
Rent and occupancy	291	286	1.7 %	841	857	(1.9)%
Professional fees	138	558	(75.3)%	1,118	1,807	(38.1)%
Technology fees	776	751	3.3 %	2,370	2,194	8.0 %
Interest	507	534	(5.1)%	1,542	1,643	(6.1)%
Depreciation and amortization	187	167	12.0 %	457	537	(14.9)%
Other	(679)	71	(1,056.0)%	2,218	2,551	(13.1)%
Total expenses	46,515	$ 44,248	5.1 %	138,651	$ 133,785	3.6 %
Income before provision for income taxes	4,046	1,950	107.5 %	7,127	2,847	150.3 %
Provision for income taxes	1,400	190	636.8 %	2,242	706	217.6 %
Net income	$ 2,646	$ 1,760	50.4 %	$ 4,885	$ 2,141	128.2 %

Revenues

The Company's primary source of revenue is from fees and commissions from products and advisory services offered by our advisors to their clients, a substantial portion of which we pay out to our advisors. We also generate interest income in accordance with our agreements with our clearing partners. In accordance with ASC 606, Revenue from Contracts with Customers, we record revenue when control of the promised services is transferred to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. Revenues are analyzed to determine whether the Company is the principal (i.e., reports revenues on a gross basis) or agent (i.e., reports revenues on a net basis) in the contract. Principal or agent designations depend primarily on the control an entity has over the product or service before control is transferred to a customer. The indicators of which party exercises control include primary responsibility over performance obligations, inventory risk before the good or service is transferred and discretion in establishing the price.

Commissions

Commission revenues represent sales commissions generated by advisors for their clients' purchases and sales of securities on exchanges and over-the-counter, as well as purchases of other investment products.

The Company generates two types of commission revenues: sales-based commissions that are recognized at the point of sale on the trade date and trailing commissions that are recognized over time as earned. Sales-based commission revenues vary by investment product and are recognized on the trade date or the transaction date, which represents the completion of the Company's performance obligation because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon, and the risks and rewards of ownership have been transferred to/from the customer at a point in time. The rates at which commissions are charged to the customers range from 1% to 7% based on the investment product. Trailing commission revenues which are preliminarily related to the sales of mutual funds and variable annuities held by clients of the Company's advisors are generally based on a percentage of the current market value of clients' investment holdings in trail-eligible assets, and are recognized over the time the client owns the investment or holds the contract and is generally based on a fixed rate applied, generally twenty-five to fifty basis points (25-50 bps) of the current market value of the clients' holdings. Trailing commissions are generally received monthly or quarterly. The ongoing revenue is not recognized at the time of sale because it is variably constrained due to factors outside the Company's control including market volatility and the client's investment hold period and the Company does not believe that it can overcome such constraints until the market value of the fund and the investor activities are known. The revenues will not be recognized until it is probable that a significant reversal will not occur.

The Company is principal for the commission revenue, as it is responsible for the execution of the clients' purchases and sales and maintains relationships with the product sponsors. Advisors assist the Company in performing its obligations. Accordingly, total commission revenue is reported on a gross basis. See Note 3 - Revenues From Contracts with Customers within the notes to the condensed consolidated financial statements for the three and nine-month periods ended September 30, 2026, and 2025 for further details regarding our commission revenue by product category.

The following tables sets forth the components of our commission revenue for the three and nine-month periods ended September 30, 2026 and 2025 (in thousands):

	For the three-month periods ended September 30,			
	2026	2025	$ Change	% Change
Sales-based	$ 18,925	$ 16,346	2,579	15.8 %
Trailing	22,334	21,024	1,310	6.2 %
Total commission revenue	$ 41,259	$ 37,370	3,889	10.4 %

	For the nine-month periods ended September 30,			
	2026	2025	$ Change	% Change
Sales-based	$ 53,859	$ 51,624	2,235	4.3 %
Trailing	65,215	60,882	4,333	7.1 %
Total commission revenue	$ 119,074	$ 112,506	6,568	5.8 %

Sales-based revenue increased by approximately $2.6 million and increased approximately $2.2 million or 15.8% and 4.3% for the three and nine-month periods ended September 30, 2026, respectively, as compared to 2025. Trailing based revenue increased by approximately $1.3 million and $4.3 million or 6.2% and 7.1% for the three and nine-month periods ended September 30, 2026, respectively, as compared to 2025. The increase in sales-based revenue for the three and nine-month period ended September 30, 2026 is primarily related to an increase in the sales of insurance products. The increase in trailing-based revenues is due to the increase in trail-based assets resulting from positive market volatility and positive net asset flows. Commission revenue is generated from brokerage assets. The following tables summarize the brokerage assets as of September 30, 2026 and 2025 (in billions):

	As of September 30,	
	2026	2025
Brokerage Assets	$ 28.1	$ 27.0

Included in the brokerage assets above are trail-eligible assets as follows (in billions):

	As of September 30,	
	2026	2025
Trail-Eligible Assets	$ 23.1	$ 18.5

The following table summarizes activity impacting brokerage assets for the periods ended (in billions):

Net Flows-Brokerage Assets	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Balance – beginning of period	$ 28.3	$ 25.1	$ 27.0	$ 24.5
Net new brokerage assets(1)	$ (0.8)	$ (0.2)	$ (2.5)	$ (1.3)
Market impact(2)	$ 0.6	$ 2.1	$ 3.6	$ 3.8
Balance – End of period	$ 28.1	$ 27.0	$ 28.1	$ 27.0

(1) Net new brokerage assets consist of total client deposits less client withdrawals from brokerage accounts, plus dividends, plus interest.
(2) Market impact is the difference between the beginning and ending asset balances less the net new asset amounts, representing the implied growth or decline in asset balances due to market change over the same period of time.

Advisory Fees

Advisory fees represent fees charged to advisors' clients' accounts on the Company's corporate advisory platform. The Company provides ongoing investment advice, brokerage and execution services on transactions, and performs administrative services for these accounts. These fees are recognized ratably over time to match the continued delivery of the performance obligations to the client over the life of the contract. The advisory fees generated from the Company's corporate advisory platform are based on a percentage of the market value of the eligible assets in the clients' advisory accounts.

Advisory fees increased by approximately 10.0% and 8.9% for the three and nine month periods ended September 30, 2026, respectively, as compared to the same period in September 30, 2025, due to positive returns in the market from the period September 30, 2025 to the period ending September 30, 2026.

The following tables summarizes the advisory assets as of September 30, 2026 and 2025 (in billions):

	As of September 30, 2026	As of September 30, 2025
Advisory Assets	$ 3.3	$ 2.9

The following table summarizes activity impacting advisory assets for the periods ended (in billions):

Net Flows-Advisory Assets	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Balance – beginning of period	$ 3.3	$ 2.7	$ 2.9	$ 2.5
Net new brokerage assets(1)	$ (0.1)	$ 0.0	$ 0.0	$ 0.0
Market impact(2)	$ 0.1	$ 0.2	$ 0.4	$ 0.4
Balance – End of period	$ 3.3	$ 2.9	$ 3.3	$ 2.9

(1) Net new advisory assets consist of total client deposits less client withdrawals from custodial accounts, plus dividends, plus interest, minus advisory fees.
(2) Market impact is the difference between the beginning and ending asset balances less the net new asset amounts, representing the implied growth or decline in asset balances due to market change over the same period of time.

Interest and other income

Interest income includes amounts earned on balances held at the Company's clearing brokers related to cash balances and margin balances. The Company's clearing agreements include provisions that provide for a sharing of the interest income earned on such balances with the clearing brokers. The rate varies based on the clearing broker.

Other income primarily includes amounts earned by the Company related to marketing and incentives earned from the sales of certain investment products by the financial advisors to its clients, primarily alternative investments, as well as sponsorship income.

Interest and other income remained relatively stable during the three-month period ended September 30, 2026 as compared to same period in the prior year, decreasing by $0.3 million. The increase in interest and other income for the nine-month period ended September 30, 2026, compared to 2025 is related to a gain contingency that was realized during the first quarter of 2026 in the amount of $0.7 million.

Operating Expenses

Commissions and Fees

Commissions and fees primarily consist of commissions paid to the financial advisors, technology costs associated with the platform for which the financial advisors operate their business, insurance costs and regulatory costs. Certain of the technology, insurance and regulatory costs are passed through to the financial advisors and any excess costs are included as fees within commissions and fees. The commissions and fees paid to the financial advisors are based on the advisory and commission revenue earned on each client's account. The payout amount is production based, which is the gross revenue produced by the financial advisor, and varies based on the level of such production ranging from 50% to 95% of the revenue generated. The production levels begin at gross revenue of $15,000 up to $4,000,000 and up, and the payout rate starts at 50% and increases to a top payout rate of 94% for annual production of $4,000,000 and up.

The following table sets forth our payout rate, which is a statistical or operating measure and monitored to review that such costs of revenue remain consistent on a period over period basis:

	For the three months ended September 30,		
	2026	2025	Change
Payout range	82.11 %	83.08 %	(0.98)%
	For the nine months ended September 30,		
	2026	2025	Change
Payout range	81.57 %	82.61 %	(1.03)%

For the three and nine-month periods ended September 30, 2026, the payout rate approximates the pay-out rate as compared to the same periods in 2025.

Employee compensation and benefits

Employee compensation and benefits includes salaries, wages, benefits and related taxes for our employees.

Employee compensation and benefits has remained stable during the three and nine month periods ended September 30, 2026 increasing by approximately $0.1 million for the three months ended September 30, 2026 and increasing by approximately $0.4 million for the nine months ended September 30, 2026 as compared to September 30, 2025.

Rent and occupancy

Rent and occupancy remained relatively consistent for the three and nine-month period ended September 30, 2026 as compared to the same periods in 2025.

Professional fees

Professional fees includes costs incurred related to legal and accounting services. Professional fees for the three and nine-month period ended September 30, 2026 as compared to same period in 2025 decreased by approximately $0.4 million and $0.7 million, respectively, representing the stabilization of the professional fees associated with operating as a public company.

Technology fees

Technology fees primarily represent infrastructure costs that support the Company's technology and communications costs. Technology fees were flat for the three month period ended September 30, 2026 and increased by approximately $0.2 million for the nine month period ended September 30, 2026.

Interest expense

Interest expense primarily includes interest associated with the Company's credit facility and other debt obligations. Interest expense decreased by $0.02 million and $0.1 million for the three and nine month period ended September 30, 2026, respectively, as compared to the same period in 2025 resulting from the decrease in the interest rate associated with our senior credit facility.

Depreciation and amortization

Depreciation and amortization relates to the use of property, equipment and leasehold improvements. Amortization also includes the amortization related to certain intangible assets.

Other expense

Other expense includes insurance, travel-related expenses, office expenses, marketing and other miscellaneous expenses. Additionally included in other expenses includes the unrealized gain related to the warrant liability, which for the three and nine months ended September 30, 2026 amounted to approximately $1.3 million and $1.2 million, respectively as compared to unrealized gain of $0.05 million and $0.4 million for the three and nine months ended September 30, 2025.

Provision for Income Taxes

Our effective income tax rate was approximately 34.6% for the three-month period ended September 30, 2026 and 31.5% for the nine-month period ended September 30, 2026 as compared to 9.7% and 24.8% for the same periods in 2025. The change in our effective tax rate was related to the increase in net income generated for the three-month period ended September 30, 2026 and an increase in net income, changes in state taxes, warrant revaluations, and other permanent differences for the nine-month period ended September 30, 2026.

Liquidity and capital resources

We have established liquidity policies intended to support the execution of strategic initiatives, while meeting regulatory capital requirements and maintaining ongoing and sufficient liquidity. We believe liquidity is of critical importance to the Company and, in particular, to our broker-dealer subsidiaries, PKSI, CLS, PKSS and WEG. The objective of our policies is to ensure that we can meet our strategic, operational and regulatory liquidity and capital requirements under both normal operating conditions and under periods of stress in the financial markets.

Parent Company Liquidity

Binah Capital Group, Inc. through its indirectly wholly owned subsidiary BMS, is the direct holding company of our operating subsidiaries, and considers its primary sources of liquidity to be dividends and management fees from our operating subsidiaries.

Sources of Liquidity

As of September 30, 2026, we had $16.3 million outstanding under our Credit Agreement with Byline Bank, net of unamortized debt issuance costs. The associated debt facilities are as follows:

Byline Bank

On December 23, 2024 (the "Credit Agreement Closing Date"), BMS, entered into a Credit Agreement (the "Credit Agreement") with Byline Bank, as lender (the "Lender"), pursuant to which the Lender agreed, at the BMS's request, to (i) make to BMS a term loan in the original principal amount of $20.3 million (the "Term Loan"), which was funded on the Credit Agreement Closing Date; (ii) make to BMS, from time to time, certain non-revolving loans (the "Non-Revolving Loans") in an aggregate principal amount of up to $1.0 million (the "Non-Revolving Loan Commitment"), to be funded through, but excluding, the Maturity Date (as defined below); and (iii) issue to BMS, from time to time, letters of credit (the "Letters of Credit" and together with the Term Loan and Non-Revolving Loans, the "Loans") until the earliest to occur of (a) the one year from the Credit Agreement Closing Date and (b) the date on which the Non-Revolving Loans are fully drawn. As of September 30, 2026 and December 31, 2025, the outstanding balance on the Term Loan was $16.3 million and $17.7 million, net of unamortized debt issuance costs, respectively.

Under the terms of the Credit Agreement, to the extent that BMS requests a Letter of Credit, the Non-Revolving Loan Commitment shall be permanently reduced in an amount equal to the amount of such Letter of Credit. The Non-Revolving Loans may not be requested by BMS and may only be advanced in connection with a repayment of a Letter of Credit ("LC Payment"). As of September 30, 2026 and December 31, 2025, the amounts outstanding under the Non-Revolving Loan or Letter of Credit was $0.05 million and $0.00 million, respectively. The Letters of Credit were issued to support two office leases. The Letters of Credit are due on demand and carry an interest rate at the same rate as the Term Loan as outlined below.

The Loans (both principal and any remaining unpaid interest) made by the Lender to BMS are scheduled to mature and become immediately due and payable in full on December 23, 2029 ("Maturity Date"). The obligations under the Credit Agreement shall bear interest (i) as to the Term Loan, a per annum variable interest rate equal to the Applicable Margin (as defined in the Credit Agreement) plus the greater of (x) the Term Secured Overnight Financing Rate ("SOFR") (as defined in the Credit Agreement) and (y) one percent (1.00%) (the "Term Loan Interest Rate"); (ii) as to the Non-Revolving Loans or any reimbursement obligations relating to a Letter of Credit, at an interest rate equal to SOFR plus four percent (4.00%) per annum; and (iii) if any other obligations is created under the Loan Documents (as defined in the Credit Agreement), at the Term Loan Interest Rate. As of September 30, 2026 and December 31, 2025, the effective interest rate was approximately 7.7% and 7.9%, respectively.

On April 10, 2025, BMS entered into an interest rate swap agreement with a notional amount of $10 million in connection with the above-mentioned Credit Agreement. Under the terms of the swap, BMS pays a fixed rate of 3.98% plus four percent (4.00%) and receives a variable interest rate based on SOFR plus 4.00% as defined above. The swap agreement requires monthly payments to be made or received. The swap is designated as cash flow hedge of the variability of the SOFR-based interest payments on $10 million of BMS's outstanding variable-rate debt.

As of September 30, 2026 and December 31, 2025, the interest rate swap had a fair value asset and liability of $0.1 million and $0.2 million, respectively and included in accounts payable, accrued expenses and other liabilities on the condensed consolidated statements of financial condition. The Company has adopted the shortcut method allowing it to assume perfect hedge effectiveness. Changes in the effective portion of the swap's fair value are recognized in accumulated other comprehensive income (loss) ("AOCI") and included on the condensed consolidated statement of other comprehensive income.

The Credit Agreement also includes customary covenants for a transaction of this type, including covenants limiting the indebtedness that can be incurred by BMS and restricting BMS's ability to make certain loans and investments. Additionally, BMS is subject to financial covenants whereby BMS and its subsidiaries on a consolidated basis may not have, as of the last day of each fiscal quarter, commencing with fiscal quarter ending on March 31, 2025, (i) a fixed charge coverage ratio as of the last day of the fiscal quarter for the twelve (12) month period then ended of not less than 1.20 to 1.00; (ii) a senior net leverage ratio as of the last day of such Fiscal Quarter for the twelve (12) month period then ended, of (A) for the fiscal quarter ended March 31, 2025 and each fiscal quarter through and including September 30, 2025, not more than 3.00 to 1.00; and (B) for the fiscal quarter ended December 31, 2025 and each fiscal quarter ending thereafter, not more than 2.75 to 1.00; or (iii) an annualized revenue received from custodians of at least $18.0 million.

The minimum calendar year payments and maturities of the Term Loan as of September 30, 2026 were as follows (**in thousands):**

2026	$ 507
2027	3,045
2028	3,045
2029	10,150
	$ 16,747

Series A Redeemable Convertible Preferred Stock

On March 15, 2024 (the "Funding Date"), the Company and BMS entered into a Subscription Agreement with an investor for the purchase of 1,500,000 shares of Holdings' Series A Redeemable Convertible Preferred Stock (the "***Holdings Series A Stock***") in a private placement at $9.60 per share, for an aggregate purchase price of $14.4 million (the "***Series A PIPE***"). The Holdings Series A Stock may be converted into shares of Holdings Common Stock after the second anniversary of the closing of the Series A PIPE, which such conversion shall initially be 1.5 shares of Holdings Common Stock for each share of Series A Convertible Preferred Stock, subject to certain adjustments provided in the Certificate of Designations.

Additionally, the Holdings Series A Stock carries a cumulative dividend at a rate of nine percent (9%) per annum, payable and compounded quarterly on the last day of each quarter. At the discretion of the Company, the payment may be made in cash or up to 50% of the amount due, in duly authorized, validly issued, fully paid and non-assessable share of Holdings Series A Stock at a value of $10 per share.

As of September 30, 2026 and December 31, 2025, the Company accrued 50% of the dividend to be paid in cash in the approximate amount of $0.2 million and paid an in - kind dividend in the approximate amount $0.2 million.

The Holdings Series A Stock has liquidation preferences in the event of a voluntary or involuntary liquidation as follows:

- The greater of $12.50 per share of Holdings Series A Stock if such liquidation occurs prior to the first anniversary of the Funding Date;
- $13.00 per share of Holdings Series A Stock if such liquidation occurs prior to the second anniversary of the Funding Date;
- $15.00 per share of Holdings Series A Stock if such liquidation occurs prior to the third anniversary of the Funding Date;
- $16.00 per share of Holdings Series A Stock if such liquidation occurs prior to the fourth anniversary of the Funding Date.

Holdings, at its option, may redeem the Series A Stock on any anniversary of the Funding date up to and including the fourth anniversary of the Funding date at the following redemption prices:

- $11.50 per share of Series A Stock on the first anniversary of the Funding Date;
- $13.00 per share of Series A Stock on the second anniversary of the Funding Date;
- $15.00 per share of Series A Stock on the third anniversary of the Funding Date;
- $16.00 per share of Series A Stock on the fourth anniversary of the Funding Date;

If the Series A Stock have not previously been redeemed or converted, the Series A Stock will be redeemed by Holdings on the fourth anniversary of the Funding Date.

Series B Convertible Preferred Stock

On September 4, 2024, the Company entered into a Subscription Agreement with an investor for the purchase of 150,000 shares of Holdings' Series B Convertible Preferred Stock (the "***Holdings Series B Stock***") in a private placement at $10.00 per share, for an aggregate purchase price of $1.5 million. The Holdings Series B Stock may be converted into shares of Holdings Common Stock, at the option of the investor at a rate equal to the quotient of (i) $10.00 divided, by (ii) the product of (A). 80 multiplied by, (B) the volume weighted average price for the 20 trading days during the 30-day period immediately prior to such conversion, provided that in no event shall the denominator be less than $6.00 per share (the "Conversion Rate").

Additionally, the Holdings Series B Stock carries a cumulative dividend at a rate of seven percent (7%) per annum, payable and compounded quarterly on the last day of each quarter. At the discretion of Holdings, the payment may be made in cash or up to 50% of the amount due, in duly authorized, validly issued, fully paid and non-assessable share of Holdings Series B Stock at a value of $10 per share. As of September 30, 2026 and December 31, 2025, included in accounts payable, accrued expenses and other liabilities on the accompanying condensed consolidated statements of financial condition is an accrued dividend in the amount of $0.03 million that was paid subsequently.

The Company may, at its option, in whole, or part, redeem the Holdings Series B Stock any time after the first anniversary of the date of the Subscription Agreement at a redemption price equal to the greater of (i) $12.00 per share of Holdings Series B Stock, plus accrued but unpaid dividends or (A) 1.20 multiplied by (B) the volume weighted average price for 20 trading days during the 30-day period immediately prior to the redemption; provided that such price shall not be greater than $20.00.

Promissory notes - affiliates

On November 30, 2017, BMS issued subordinated promissory notes in the aggregate principal amount of approximately $3.6 million to certain sellers in connection with the acquisition of the PKSH Entities. These notes had a maturity date of May 17, 2023 and accrued interest at a rate of 10% annually. The interest on these notes continued to accrue until such time as these notes were restructured.

Additionally, in connection with the acquisition of the PKSH Entities, the Company agreed to pay contingent consideration in the amount of $5.0 million to certain sellers. The conditions related to this contingency were met on November 30, 2018, and thus the notes had been issued to the sellers. These subordinated promissory notes had a maturity date of May 30, 2023, and accrued interest at a rate of 10% annually. The interest on these notes continued to accrue until such time as these notes were restructured.

In connection with the restructuring of these notes, the Company paid approximately $3.4 million on these notes. In addition to the paydown, the noteholders (all of whom are stockholders and/or key employees) agreed to forgive the remaining accrued but unpaid interest of approximately $3.8 million and entered into new promissory notes in the principal amount of approximately $5.3 million in the aggregate. The amounts outstanding as of September 30, 2026 and December 31, 2025 was $5.3 million. The terms of these new promissory notes provide for maturity on May 15, 2027 and carries an interest rate of Prime plus 1.00%, but no less than 7.50% per annum. Related interest expense was approximately $0.1 million for the three months ended September 30, 2026 and 2025 and $0.4 million for the nine months ended September 30, 2026 and 2025.

Cash Flows

The following table sets forth a summary of cash flows for the nine-month periods ended September 30, 2026 and 2025:

(in thousands)	2026	2025
Net cash provided by operating activities	$ 4,714	$ 2,048
Net cash used in investing activities	(26)	(55)
Net cash used in financing activities	(2,162)	(2,140)
Net change in cash flows	$ 2,526	$ (147)

Cash Flows from Operating Activities. Net cash provided by operating activities was $4.7 million for the nine-month period ended September 30, 2026, compared to net cash provided by of $2.0 million for the nine-month period ended September 30, 2025, representing an increase of approximately $2.7 million or 130%. The increase was primarily attributable to the increase in the net income of approximately $2.7 million.

Cash Flows from Investing Activities. Net cash used in investing activities for the nine-month period ended September 30, 2026, was comparable to the same period in 2025.

Cash Flows from Financing Activities. Net cash used in financing activities was approximately $2.2 million for the nine-month period ended September 30, 2026, which is comparable to cash used in financing activities of approximately $2.1 million for the nine-month period ended September 30, 2025.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations and other commitments as of September 30, 2026:

	Payments Due by period				
Contractual obligations	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
			(in thousands)		
Long-term debt obligations (1)	$ 16,747	$ 507	$ 6,090	$ 10,150	$ —
Promissory notes - affiliates (2)	5,313	—	5,313	—	—
Operating lease obligations (3)	4,276	936	2,670	670	—
	$ 26,336	$ 1,443	$ 14,073	$ 10,820	$ —

(1) Represents principal obligations related to the Byline Credit Agreement that was entered into during the year ended December 31, 2024.
(2) Represents the obligations under the amounts due to certain sellers of the PKSH entities. The notes mature in May 2027.
(3) Represents future minimum lease payments as of September 30, 2026, under non-cancelable office leases.

Critical Accounting Policies and Estimates

The preparation of 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. Although these estimates are based on the Company's knowledge of current events and actions the Company may undertake in the future, actual results could differ from those estimates and assumptions.

We define our critical accounting policies and estimates as those that require us to make subjective judgments about matters that are uncertain and are likely to have a material impact on our financial condition and results of operations as well as the specific manner in which we apply those principles. We believe the critical accounting policies used in the preparation of our financial statements which require significant estimates and judgments are as follows:

Revenue Recognition

Revenues from contracts with customers are recognized when control of the promised services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. Management exercises judgment in determining whether the Company is the principal (i.e., reports revenues on a gross basis) or agent (i.e., reports revenue on a net basis). For additional information see Note 3 in the condensed consolidated financial statements as of and for the three and nine-months periods ended September 30, 2026 and 2025.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets are tested annually for impairment or if certain events occur indicating that the carrying amounts may be impaired. We have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, we determine it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, then performing the two-step impairment test is not required. However, if we conclude otherwise, we are then required to perform the first step of the two-step impairment test. Goodwill impairment is determined by comparing the estimated fair value of a reporting unit with its respective carrying value. If the estimated fair value exceeds the carrying value, goodwill at the reporting unit level is not deemed to be impaired. If the estimated fair value is below the carrying value, however, further analysis is required to determine the amount of the impairment. Additionally, if the carrying value of a reporting unit is zero or a negative value and it is determined that it is more likely than not the goodwill is impaired, further analysis is required. The estimated fair values of the reporting units are derived based on valuation techniques we believe market participants would use for each of the reporting units.

We performed our goodwill impairment test as of and for the years ended December 31, 2025, and 2024. The estimated fair value of the reporting units were determined using the market approach for each reporting unit, relying specifically on the guideline public company method. Our guideline public company method incorporates revenue and earnings multiples from publicly traded companies with operations and other characteristics similar to each reporting unit. As a result of the 2025 and 2024 annual impairment tests, the fair value of the reporting units was approximately 270% and 257% greater than its carrying value, respectively. Since there have been no events or circumstances which indicated that it was more likely than not the fair value of the reporting units were below their carrying amount, interim goodwill tests were not considered necessary.

The goodwill impairment test requires us to make judgments in determining what assumptions to use in the calculation. Assumptions, judgments, and estimates about future cash flows and discount rates are complex and often subjective. They can be affected by a variety of factors, including, among others, economic trends and market conditions, changes in revenue growth trends or business strategies, unanticipated competition, discount rates, technology, or government regulations. In assessing the fair value of our reporting units, the volatile nature of the securities markets and industry requires us to consider the business and market cycle and assess the stage of the cycle in estimating the timing and extent of future cash flows. In addition to discounted cash flows, we consider other information, such as public market comparable and multiples of recent mergers and acquisitions of similar businesses. Although we believe the assumptions, judgments, and estimates we have made in the past have been reasonable and appropriate, different assumptions, judgments, and estimates could materially affect our reported financial results.

Intangible assets that are deemed to have definite lives are amortized over their useful lives, generally ranging from 5 to 10 years. They are reviewed for impairment when there is evidence that events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount to the estimated undiscounted future cash flows expected to be generated. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the estimated fair value.

Contingent Liabilities

The Company recognizes liabilities for contingencies when there is an exposure that, when fully analyzed, indicates potential losses become probable and can be reasonably estimated. Whether a potential loss is probable and can be reasonably estimated is based on currently available information and is subject to significant judgment, a variety of assumptions and uncertainties.

When a potential loss is probable and the loss or range of loss can be estimated, the Company will accrue the most likely amount within that range. No liability is recognized for those matters which, in management's judgment, the determination of a reasonable estimate of potential loss is not possible, or for which a potential loss is not determined to be probable.

Recently Issued Accounting Pronouncements

Refer to Note 2 - *Summary of Significant Accounting Policies,* within the notes to the condensed consolidated financial statements for a discussion of recent accounting pronouncements or changes in accounting pronouncements that are of significance, or potential significance, to us.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk

We are subject to market risk resulting from operational risk events, which can require customer trade corrections. We also bear market risk on the fees we earn that are based on the market value of advisory and brokerage assets, as well as assets on which trailing commissions are paid and assets eligible for sponsor payments.

Interest Rate Risk

We are exposed to risk associated with changes in interest rates. As of September 30, 2026, $6.7 million of our outstanding debt was subject to floating interest rate risk. While our senior secured term loan is subject to increases in interest rates, we do not believe that a short-term change in interest rates would have a material impact on our net income, given revenue generated by our share of the interest earned in our clients' cash balances held at our clearing brokers, which is generally subject to the same, but offsetting interest rate risk.

Credit Risk

Financial instruments that subject the Company to credit risk consist principally of receivables and cash and cash equivalents. The Company performs certain credit evaluation procedures and does not require collateral for financial instruments subject to credit risk. The Company believes that credit risk is limited because the Company routinely assesses the financial strength of its counterparties and, based upon factors surrounding the credit risk of its counterparties, establishes an allowance for uncollectible accounts and, consequently, believes that its receivables credit risk exposure beyond such allowances is limited.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of September 30, 2026, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this evaluation, our principal executive officer and principal financial and accounting officer have concluded that as of September 30, 2026, our disclosure controls and procedures were effective.

Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We may be party to various claims and legal proceedings from time to time. We are not subject to any pending material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us or any of our officers or directors in their capacity as such.

From time to time, we have been subjected to and are currently subject to legal and regulatory proceedings arising out of our business operations, including lawsuits, arbitration claims and inquiries, investigations and enforcement proceedings initiated by the SEC, FINRA and state securities regulators, as well as other actions and claims.

Item 1A. Risk Factors.

There have been no material changes to the information previously disclosed in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit Number		Description of Document
31.1*		Certification of Craig Gould, Chief Executive Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
31.2*		Certification of David Shane, Chief Financial Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
32.1**		Certification of Craig Gould, Chief Executive Officer, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. § 1350.
32.2**		Certification of David Shane, Chief Financial Officer, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. § 1350.
101.INS		XBRL Instance Document
101.CAL		XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH		XBRL Taxonomy Extension Schema Document
101.DEF		XBRL Taxonomy Extension Definition Linkbase Document
101.LAB		XBRL Taxonomy Extension Labels Linkbase Document
101.PRE		XBRL Taxonomy Extension Presentation Linkbase Document
104		Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed herewith
** Furnished herewith
‡Management contract or compensatory plan or arrangement.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BINAH CAPITAL GROUP, INC.

Date: November 12, 2026

By: /s/ Craig Gould
Name: Craig Gould
Title: Chief Executive Officer
(Principal Executive Officer)

Date: November 12, 2026

By: /s/ David Shane
Name: David Shane
Title: Chief Financial Officer
(Principal Accounting and Financial Officer)

EXHIBIT 31.1

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Craig Gould, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Binah Capital Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 12, 2026

By: /s/ Craig Gould
Craig Gould
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David Shane, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Binah Capital Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 12, 2026

By: /s/ David Shane
David Shane
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Binah Capital Group, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Craig Gould, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 12, 2026

/s/ Craig Gould
Name: Craig Gould
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Binah Capital Group, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Shane, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 12, 2026

/s/ David Shane
Name: David Shane
Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)