Beneficient Reports Second Quarter Fiscal 2027 Results

November 16, 2026 10:30 PM EST

Company Advances Strategic Initiatives, Expands Transaction Activity, Reduces Operating Costs and Improves Liquidity

DALLAS, Nov. 16, 2026 (GLOBE NEWSWIRE) -- **Beneficient (NASDAQ: BENF) ("Ben" or the "Company")**, a technology-enabled platform providing exit opportunities and primary capital solutions and related trust and custody services to holders of alternative assets, today reported its financial results for the fiscal 2027 second quarter, which ended September 30, 2026.

Highlights of the quarter include:

- Made progress on strategy to eliminate purported debt of $130 million associated with former Chief Executive Officer Brad Heppner who has been convicted of securities fraud, wire fraud and related charges in connection with the purported debt. Heppner is scheduled to be sentenced on January 11, 2027 in the Southern District of New York.
- Closed a $7.4 million GP Primary Capital transaction with an investment firm specializing in growth stage AI and technology ventures. The transaction demonstrated the potential for additional transactions with existing clients and counterparties, building on previously established relationships and transaction activity.
- Announced plans to launch AltLens, an innovative alternative asset portfolio analytics and risk platform developed for family offices and small institutional investors. AltLens applies sophisticated risk models to complex private-market data, translating the results into clear analytics that investors and managers can use to make their portfolio decisions.
- Completed a second collateral management transaction, demonstrating continued execution of Beneficient's strategy to generate revenue and expand its collateral management business.
- Continued significant operating expense reductions, reflecting management's focus on operating efficiency, cost discipline and aligning the Company's cost structure with current business activity.
- Continued monetization of certain investment assets, generating proceeds and supporting liquidity and balance sheet objectives.

Beneficient Collateral Portfolio



As of September 30, 2026. The chart represents the characteristics of professionally managed funds and investments in the Collateral portfolio, which is comprised of a diverse portfolio of direct and indirect interests (through various investment vehicles, including, limited partnership interests and private and public equity and debt securities, which include our and our affiliates' or our former affiliates' securities), primarily in third-party, professionally managed private funds and investments. Loan b

Commenting on the fiscal 2027 second quarter results, Chief Executive Officer James Silk said: "Our second quarter results for FY 2027 demonstrated that we are continuing to make progress on multiple fronts: advancing financing initiatives, executing collateral management transactions, monetizing assets, pursuing new originations and follow-on business, and reducing operating expenses. Beneficient remains focused on putting legacy matters behind it as it moves to the next phase of its development, and we believe AltLens will be an important part of that strategy. We are excited to demonstrate how AltLens can serve a market in need of the analytical tools it provides - including detailed risk models and portfolio analysis specific to private market needs as these assets increasingly become central to overall portfolios."

Second Quarter Fiscal 2027 and Recent Highlights (for the quarter ended September 30, 2026, or as noted):

- Reported investments with a fair value of $201.0 million, an increase from $195.5 million at the end of our prior fiscal year, which served as collateral for Ben Liquidity's net loan portfolio of $172.3 million and $169.7 million, respectively.
- Operating expenses decreased 6.9% to $14.1 million in the second quarter of fiscal 2027, which included goodwill impairment of $1.5 million, as compared to $15.1 million in the second

quarter of fiscal 2026. On a year-to-date basis, operating expenses for fiscal 2027 were $26.6 million, which included interest expense associated with a recognized loss contingency accrual of $3.6 million and goodwill impairment of $1.5 million, as compared to $95.1 million in the same period of fiscal 2026, which included the accrual of a loss contingency of $62.8 million and additional interest expense on the loss contingency accrual of $1.7 million.

- Excluding the loss contingency accrual along with associated interest expense on the loss contingency and goodwill impairment in each period, as applicable, operating expenses(1) declined 20.1% to $10.7 million in the second quarter of fiscal 2027 as compared to $13.4 million in the same period of fiscal 2026. On a year-to-date basis, excluding the non-cash goodwill impairment, the loss contingency accrual, and associated interest expense on the loss contingency accrual in each period, as applicable, operating expenses(1) were $21.5 million for the first half of fiscal 2027 as compared to $30.6 million for the first half of fiscal 2026.
- Further completed asset sales or equity redemptions of certain investments held by the Customer ExAlt Trusts, resulting in an aggregate of $60.5 million in gross proceeds on a cumulative basis since inception in our prior fiscal year through September 30, 2026, which have been used to pay down certain debt and provide working capital.
- To-date in fiscal 2027, as previously disclosed, entered into additional primary capital transactions with two funds, which has increased the collateral for the Company's ExAlt loan portfolio by more than $16 million of interests in alternative assets. ExAlt Holdings provided financing to the ExAlt Plan™ to fund these new liquidity transactions. ExAlt Holdings is a direct subsidiary of Beneficient, and as a result, it is not structurally subordinated to Beneficient Company Holdings, L.P. (BCH), and therefore would attribute the net earnings on such loans and related fees to the common stockholders of Beneficient.

(1) Represents a non-GAAP financial measure. For reconciliations of our non-GAAP measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see Non-GAAP Reconciliations.

Loan Portfolio

As a result of executing on our business plan of providing financing for liquidity, or early investment exits, for alternative asset marketplace participants, Ben's balance sheet is primarily comprised of loans collateralized by a well-diversified alternative asset portfolio that is expected to grow as Ben successfully executes on its core business.

Ben's balance sheet strategy for ExAlt Loan origination is based on an endowment-style portfolio model for the fiduciary financings we make by utilizing our patent-pending computer implemented technologies branded as OptimumAlt. Our OptimumAlt endowment model balance sheet approach guides diversification of our fiduciary financings across seven asset classes of alternative assets, over 11 industry sectors in which alternative asset managers invest, and at least six countrywide exposures and multiple vintages of dates of investment into the private funds and companies.

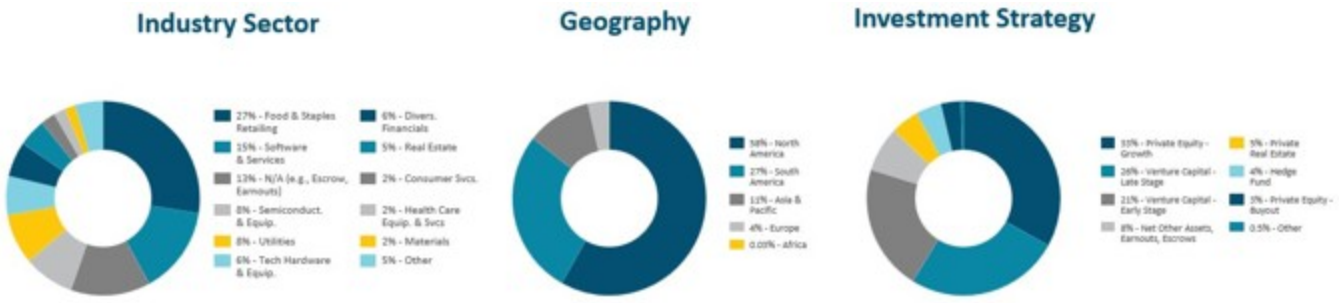
As of September 30, 2026, Ben's loan portfolio was supported by a highly diversified alternative asset collateral portfolio providing diversification across approximately 110 private market funds and approximately 270 investments across various asset classes, industry sectors and geographies. This portfolio includes exposure to some of the most exciting, sought after private company names worldwide, including:

- A leading Latin American pharmacy, health, and beauty retailer with an integrated physical and digital store network.
- A technology-enabled reforestation company using drones, seed science, and services to restore forests at scale following wildfires and other disturbances.
- A mobile banking services provider.
- A privately owned express intercity passenger rail system operator and owner of associated real estate.
- A developer of an integrated e-commerce and fulfillment platform to sell wine direct-to-consumers.

Figure 1: Portfolio Diversification

Diversification Using Principal Loan Balance, Net of Allowance for Credit Losses

As of September 30, 2026, the charts below present the ExAlt Loan portfolio's relative exposure by certain characteristics (percentages determined by aggregate fiduciary ExAlt Loan portfolio principal balance net of allowance for credit losses, which includes the exposure to interests in certain of our former affiliates composing part of the Fiduciary Loan Portfolio).



As of September 30, 2026. The chart represents the characteristics of professionally managed funds and investments in the Collateral portfolio, which is comprised of a diverse portfolio of direct and indirect interests (through various investment vehicles, including, limited partnership interests and private and public equity and debt securities, which include our and our affiliates' or our former affiliates' securities), primarily in third-party, professionally managed private funds and investments. Loan balances used to calculate the percentages reported in the pie charts are loan balances, net of any allowance for credit losses, and as of September 30, 2026, the total allowance for credit losses was $436 million, for a total gross loan balance of $608 million and a loan balance net of allowance for credit losses of $172 million.

Business Segments: Second Quarter Fiscal 2027

Ben Liquidity

Ben Liquidity offers simple, rapid and cost-effective liquidity products through the use of our proprietary financing and trust structure, or the "Customer ExAlt Trusts," which facilitate the exchange of a customer's alternative assets for consideration.

- Ben Liquidity recognized $8.7 million of interest income for the fiscal second quarter, an increase of 5.5% from the quarter ended June 30, 2026, primarily due to the new origination in July 2026 of approximately $7.4 million and the effects of compounding interest on the remaining loans.
- Operating loss for the fiscal second quarter was $17.3 million, a decrease from operating income of $7.4 million for the quarter ended June 30, 2026. The decrease in operating performance was due to higher intersegment credit losses in the current fiscal period as compared to the quarter ended June 30, 2026 due to decreases in NAV arising from adjustments to the relative share of the respective fund's NAV based on updated financial information received from the funds' investment manager or sponsor during the current period and from certain asset sales completed during the period.

Ben Custody

Ben Custody provides full-service trust and custody administration services to the trustees of certain of the Customer ExAlt Trusts, which own the exchanged alternative assets following liquidity transactions in exchange for fees payable quarterly calculated as a percentage of assets in custody.

- NAV of alternative assets and other securities held in custody by Ben Custody during the fiscal second quarter was $220.9 million as of September 30, 2026, compared to $219.8 million as of March 31, 2026. The increase in investments in alternative assets since March 31, 2026 was principally related to upward adjustments of NAV as reported by the investment managers or general partners or other fair value adjustments totaling $2.0 million and new origination activity totaling $16.3 million, offset by asset sales and other distributions of $13.6 million.
- Revenues applicable to Ben Custody were $2.7 million for the fiscal second quarter, compared to $2.5 million for the quarter ended June 30, 2026. Revenues increased slightly sequentially due to an increase in beginning of the period NAV for the current period as compared to the beginning of the period NAV for the quarter ended June 30, 2026. Revenues for Ben Custody are computed using the NAV of alternative assets and other securities held in custody at the

beginning of each period.

- Operating income for the fiscal second quarter decreased to $0.2 million from $1.4 million for the quarter ended June 30, 2026. The decrease was primarily attributable to $1.5 million non-cash charge for goodwill impairment, while no such charge was required for the quarter ended June 30, 2026.
- Adjusted operating income[(1)] for the three months ended September 30, 2026 was $1.7 million, compared to adjusted operating income[(1)] of $1.4 million in the prior sequential quarter with the increase in adjusted operating income[(1)] primarily due to slightly higher revenue related to higher NAV of alternative assets and other securities held in custody during the current period.

Business Segments: Six Months Ended September 30, 2026

Ben Liquidity

- Ben Liquidity recognized $16.9 million of interest income for the six months ended September 30, 2026, down 2.6% compared to the prior year period, primarily driven by loan paydowns over the course of the last fifteen months arising from our previously disclosed Asset Sales Initiative partially offset by the new originations in the current year period of approximately $16.3 million and the effects of compounding interest on the remaining loans.
- Operating loss was $9.9 million for the six months ended September 30, 2026, compared to an operating loss of $6.8 million in the prior year period. The increase in the operating loss is partially a result of the lower revenues period over period plus an increase in intersegment credit losses in the current fiscal year as compared to the same period in the prior year.

Ben Custody

- Ben Custody revenues were $5.2 million for the six months ended September 30, 2026, down 28.8%, compared to the prior year period, largely the result of lower NAV of alternative assets and other securities held in custody along with certain upfront intersegment fees that are amortized into revenues over time being fully recognized in a prior period.
- Operating income was $1.5 million for the six months ended September 30, 2026 compared to operating income of $5.4 million in the prior year period. While revenues declined in the current year period as compared to the same period in the prior year, operating expenses also increased by $1.8 million principally due to non-cash goodwill impairment in the current period of $1.5 million and slightly higher other expenses. No such impairment was recorded in the prior year period.
- Adjusted operating income[(1)] for the six months ended September 30, 2026 was $3.0 million, compared to adjusted operating income[(1)] of $5.4 million in the prior year period with the decrease in adjusted operating income[(1)] driven by lower revenue related to lower NAV of alternative assets and other securities held in custody partially offset by slightly higher operating expenses during the current fiscal year period.

Capital and Liquidity

- As of September 30, 2026, the Company had cash and cash equivalents of $7.5 million and

total debt of $98.1 million.

- Distributions received from alternative assets and other securities held in custody totaled $7.3 million for the six months ended September 30, 2026, compared to $7.8 million for the same period of fiscal 2026. Additionally, during the six months ended September 30, 2026, we received proceeds of $7.9 million from the disposition of certain investments in alternative assets.
- Total investments (at fair value) of $201.0 million at September 30, 2026 supported Ben Liquidity's loan portfolio.

Consolidated Fiscal Second Quarter Results

Table 1 below presents a summary of selected unaudited consolidated operating financial information.

Consolidated Fiscal Second Quarter Results *($ in thousands, except share and per share amounts)*	**Fiscal 2Q27** September 30, 2026	**Fiscal 1Q27** June 30, 2026	**Fiscal 2Q26** September 30, 2025	**Change % vs. Prior Quarter**	**YTD Fiscal 2027**	**YTD Fiscal 2026**	**Change % vs. Prior YTD**
GAAP Revenues	$ (25,286)	$ 12,165	$ (2,763)	NM	$ (13,121)	$ (15,386)	14.7 %
Adjusted Revenues[1]	(14,400)	15,925	(2,759)	NM	1,525	(15,381)	NM
GAAP Operating Income (Loss)	(39,348)	(377)	(17,864)	NM	(39,725)	(110,512)	64.1 %
Adjusted Operating Income (Loss)[1]	(23,514)	5,727	(12,588)	NM	(17,787)	(37,768)	52.9 %
Basic Class A EPS [3]	$ (1.49)	$ (0.47)	$ (3.00)	NM	$ (1.97)	$ (58.68)	96.6 %
Diluted Class A EPS [3]	$ (1.49)	$ (0.47)	$ (3.00)	NM	$ (1.97)	$ (58.68)	96.6 %
Segment Revenues attributable to Ben's Equity Holders[2]	(3,224)	6,978	11,420	NM	3,754	24,478	(84.7) %
Adjusted Segment Revenues attributable to Ben's Equity Holders[1][2]	10,691	10,738	11,420	(0.4) %	21,429	24,478	(12.5) %
Segment Operating Income (Loss) attributable to Ben's Equity Holders	(39,231)	(1,896)	(8,084)	NM	(41,127)	(84,520)	51.3 %
Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders[1][2]	$ (20,368)	$ 4,208	$ (2,812)	NM	$ (16,160)	$ (11,781)	(37.2) %

NM - Not meaningful.

(1) Adjusted Revenues, Adjusted Operating Income (Loss), Adjusted Segment Revenues attributable to Ben's Equity Holders and Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders are non-GAAP financial measures. For reconciliations of our non-GAAP measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see Non-GAAP Reconciliations.

(2) Segment financial information attributable to Ben’s equity holders is presented to provide users of our financial information an understanding and visual aide of the segment information (revenues, operating income (loss), and adjusted operating income (loss)) that impacts Ben’s Equity Holders. “Ben’s Equity Holders” refers to the holders of Beneficient Class A and Class B common stock and Series B Preferred Stock as well as holders of interests in BCH, which represent noncontrolling interests. For a description of noncontrolling interests, see Item 2 of our Quarterly Report on Form 10-Q for the six months ended September 30, 2026, and Reconciliation of Business Segment Information Attributable to Ben’s Equity Holders to Net Income (Loss) Attributable to Ben Common Holders. Such information is computed as the sum of the Ben Liquidity, Ben Custody and Corp/Other segments since it is the operating results of those segments that determine the net income (loss) attributable to Ben’s Equity Holders. See further information in table 5 and Non-GAAP Reconciliations.

(3) Periods presented have been adjusted to reflect the 1-for-8 reverse stock split on December 15, 2025.

Table 2 below presents a summary of selected unaudited consolidated balance sheet information.

Consolidated Fiscal Second Quarter Results ($ in thousands)	**Fiscal 2Q27** As of September 30, 2026	**Fiscal 4Q26** As of March 31, 2026	**Change %**
Investments, at Fair Value	$ 201,049	$ 195,536	2.8 %
All Other Assets	17,797	33,322	(46.6) %
Goodwill	8,435	9,914	(14.9) %
Total Assets	**$ 227,281**	**$ 238,772**	**(4.8) %**

Business Segment Information Attributable to Ben's Equity Holders[1]

Table 3 below presents unaudited segment revenues and segment operating income (loss) for business segments attributable to Ben's equity holders.

Segment Revenues Attributable to Ben's Equity	**Fiscal 2Q27**	**Fiscal 1Q27**	**Fiscal 2Q26**	**Change %**	**YTD Fiscal**	**YTD Fiscal**	**Change %**

Holders[1] ($ in thousands)	September 30, 2026	June 30, 2026	September 30, 2025	**vs. Prior Quarter**	**2027**	**2026**	**vs. Prior YTD**
Ben Liquidity	$ 8,664	$ 8,215	$ 8,497	5.5%	$ 16,879	$ 17,332	(2.6) %
Ben Custody	2,672	2,500	3,081	6.9%	5,172	7,264	(28.8) %
Corporate & Other	(14,560)	(3,737)	(158)	NM	(18,297)	(118)	NM
Total Segment Revenues Attributable to Ben's Equity Holders[1]	**$ (3,224)**	**$ 6,978**	**$ 11,420**	**NM**	**$ 3,754**	**$ 24,478**	**(84.7) %**

Segment Operating Income (Loss) Attributable to Ben's Equity Holders[1] ($ in thousands)	**Fiscal 2Q27** September 30, 2026	**Fiscal 1Q27** June 30, 2026	**Fiscal 2Q26** September 30, 2025	**Change % vs. Prior Quarter**	**YTD Fiscal 2027**	**YTD Fiscal 2026**	**Change % vs. Prior YTD**
Ben Liquidity	$ (17,299)	$ 7,354	$ (821)	NM	$ (9,945)	$ (6,838)	(45.4) %
Ben Custody	198	1,350	2,292	(85.3) %	1,548	5,420	(71.4) %
Corporate & Other	(22,130)	(10,600)	(9,555)	NM	(32,730)	(83,102)	60.6 %
Total Segment Operating Income (Loss) Attributable to Ben's Equity Holders[1]	**$ (39,231)**	**$ (1,896)**	**$ (8,084)**	**NM**	**$ (41,127)**	**$ (84,520)**	**51.3 %**

NM - Not meaningful.

(1) Segment financial information attributable to Ben's equity holders is presented to provide users of our financial information an understanding and visual aide of the segment information (revenues, operating income (loss), and adjusted operating income (loss)) that impacts Ben's Equity Holders. "Ben's Equity Holders" refers to the holders of Beneficient Class A and Class B common stock and Series B Preferred Stock as well as holders of interests in BCH, which represent noncontrolling interests. For a description of noncontrolling interests, see Item 2 of our Quarterly Report on Form 10-Q for the six months ended September 30, 2026, and Reconciliation of Business Segment Information Attributable to Ben's Equity Holders to Net Income (Loss) Attributable to Ben Common Holders. Such information is computed as the sum of the Ben Liquidity, Ben Custody and Corp/Other segments since it is the operating results of those segments that determine the net income (loss) attributable to Ben's Equity Holders. See further information in table 5 and Non-GAAP Reconciliations.

Adjusted Business Segment Information Attributable to Ben's Equity Holders[2]

Table 4 below presents unaudited adjusted segment revenue and adjusted segment operating income (loss) for business segments attributable to Ben's equity holders.

Adjusted Segment Revenues Attributable to Ben's Equity Holders[1][2] ($ in thousands)	**Fiscal 2Q27** September 30, 2026	**Fiscal 1Q27** June 30, 2026	**Fiscal 2Q26** September 30, 2025	**Change % vs. Prior Quarter**	**YTD Fiscal 2027**	**YTD Fiscal 2026**	**Change % vs. Prior YTD**
Ben Liquidity	$ 8,664	$ 8,215	$ 8,497	5.5 %	$ 16,879	$ 17,332	(2.6) %
Ben Custody	2,672	2,500	3,081	6.9 %	5,172	7,264	(28.8) %
Corporate & Other	(645)	23	(158)	NM	(622)	(118)	NM
Total Adjusted Segment Revenues Attributable to Ben's Equity Holders[1][2]	**$ 10,691**	**$ 10,738**	**$ 11,420**	**(0.4) %**	**$ 21,429**	**$ 24,478**	**(12.5) %**

Adjusted Segment Operating Income (Loss) Attributable to Ben's Equity Holders[1][2] ($ in thousands)	**Fiscal 2Q27** September 30, 2026	**Fiscal 1Q27** June 30, 2026	**Fiscal 2Q26** September 30, 2025	**Change % vs. Prior Quarter**	**YTD Fiscal 2027**	**YTD Fiscal 2026**	**Change % vs. Prior YTD**
Ben Liquidity	$ (17,299)	$ 7,354	$ (821)	NM	$ (9,945)	$ (6,838)	(45.4) %
Ben Custody	1,677	1,350	2,292	24.2 %	3,027	5,420	(44.2) %
Corporate & Other	(4,746)	(4,496)	(4,283)	(5.6) %	(9,242)	(10,363)	10.8 %
Total Adjusted Segment Operating Income (Loss) Attributable to Ben's Equity Holders[1][2]	**$ (20,368)**	**$ 4,208**	**$ (2,812)**	**NM**	**$ (16,160)**	**$ (11,781)**	**(37.2) %**

NM - Not meaningful.

(1) Adjusted Revenues, Adjusted Operating Income (Loss), Adjusted Segment Revenues attributable to Ben's Equity Holders and Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders are non-GAAP financial measures. For reconciliations of our non-GAAP measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see Non-GAAP Reconciliations.

(2) Segment financial information attributable to Ben's equity holders is presented to provide users of our financial information an understanding and visual aide of the segment information (revenues, operating income (loss), and adjusted operating income (loss)) that impacts Ben's Equity Holders. "Ben's Equity Holders" refers to the holders of Beneficient Class A and Class B common stock and Series B Preferred Stock as well as holders of interests in BCH, which represent noncontrolling interests. For a description of noncontrolling interests, see Item 2 of our Quarterly Report on Form 10-Q for the six months ended September 30, 2026, and Reconciliation of Business Segment Information Attributable to Ben's Equity Holders to Net Income (Loss) Attributable to Ben Common Holders. Such information is computed as the sum of the Ben Liquidity, Ben Custody and Corp/Other segments since it is the operating results of those segments that determine the net income (loss) attributable to Ben's Equity Holders. See further information in table 5 and Non-GAAP Reconciliations.

Reconciliation of Business Segment Information Attributable to Ben's Equity Holders to Net Income (Loss) Attributable to Ben Common Shareholders

Table 5 below presents a reconciliation of operating income (loss) by business segment attributable to Ben's Equity Holders to net income (loss) attributable to Ben common shareholders.

Reconciliation of Business Segments to Net Income (Loss) Attributable to Ben Common Shareholders ($ in thousands)	**Fiscal 2Q27** September 30, 2026	**Fiscal 1Q27** June 30, 2026	**Fiscal 2Q26** September 30, 2025	**YTD Fiscal 2027**	**YTD Fiscal 2026**
Ben Liquidity	$ (17,299)	$ 7,354	$ (821)	$ (9,945)	$ (6,838)
Ben Custody	198	1,350	2,292	1,548	5,420
Corporate & Other	(22,130)	(10,600)	(9,555)	(32,730)	(83,102)
Income tax expense (allocable to Ben and BCH equity holders)	(22)	—	(43)	(22)	(43)
Net loss attributable to noncontrolling interests - Ben	22,179	21	9,191	22,200	25,175
Noncontrolling interest guaranteed payment	(4,982)	(4,908)	(4,693)	(9,890)	(9,317)
Net income (loss) attributable to Ben's common shareholders	**$ (22,056)**	**$ (6,783)**	**$ (3,629)**	**$ (28,839)**	**$ (68,705)**

Corporate Update Call

Beneficient intends to host an investor conference call and webcast to provide additional commentary on its financial results, recent business developments and strategic priorities in the context of its overall strategic plans. Details regarding a call or webcast will be announced separately through the Company's investor relations website and appropriate public channels.

About Beneficient

Beneficient (Nasdaq: BENF) – Ben, for short – is on a mission to democratize the global alternative asset investment market by providing traditionally underserved investors − mid-to-high net worth individuals, small-to-midsized institutions and General Partners seeking exit options, anchor commitments and valued-added services for their funds− with solutions that could help them unlock the value in their alternative assets.

Its subsidiary, Beneficient Fiduciary Financial, L.L.C., received its charter under the State of Kansas' Technology-Enabled Fiduciary Financial Institution (TEFFI) Act and is subject to regulatory oversight by the Office of the State Bank Commissioner.

For more information, visit www.trustben.com or follow us on LinkedIn.

Contacts

Investors:
Matt Kreps/214-597-8200/mkreps@darrowir.com
Michael Wetherington/214-284-1199/mwetherington@darrowir.com
investors@beneficient.com

Not an Offer of Securities

The information in this communication is for informational purposes only and shall not constitute, or form a part of, an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities. The securities referred to herein have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Disclaimer and Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to, among other things, demand for our solutions in the alternative asset industry, opportunities for market growth, our ability to identify and negotiate transactions, diversification and size of our loan portfolio, growth of our collateral management services and our ability to scale operations and provide shareholder value. These forward-looking statements are generally identified by the use of words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," "would," and, in each case, their negative or other various or comparable terminology. These forward-looking statements reflect our views with respect to future events as of the date of this document and are based on our management's current expectations, estimates, forecasts, projections, assumptions, beliefs and information. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. All such forward-looking statements are subject to risks and uncertainties, many of which are outside of our control, and could cause future events or results to be materially different from those stated or implied in this document. It is not possible to predict or identify all such risks. These risks include, but are not limited to, our ability to consummate liquidity transactions on terms desirable for the Company, or at all, our ability to regain compliance with the market value of the Company's listed securities requirements of the Nasdaq Stock Market, LLC (the "Nasdaq Listing Rules") within the applicable compliance period, our ability to cure any future deficiencies in compliance with any of the Nasdaq Listing Rules, the outcome and timing of the remaining GWG Holdings, Inc. litigation and related legacy matters, risks related to the substantial costs and diversion of management's attention and resources due to these matters, the risk that the Company's collateral management services do not perform as expected or do not generate revenue, and the risk factors that are described under the section titled "Risk Factors" in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings with the U.S. Securities and Exchange Commission (the "SEC"). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this document and in our SEC filings. We expressly disclaim any obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

Table 6: CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

	Three Months Ended September 30,	**Six Months Ended September 30,**

(Dollars in thousands, except per share amounts)	2026	2025	2026	2025
Revenues				
Investment income (loss), net	$ (13,834)	$ (3,162)	$ 2,041	$ (15,938)
Gain (loss) on financial instruments, net (related party of $(10,886), $(4), $(14,646) and $(5), respectively)	(11,547)	211	(15,313)	166
Interest and dividend income	10	10	20	20
Trust services and administration revenues (related party of nil, $8, nil and $15, respectively)	85	178	131	366
Total revenues	(25,286)	(2,763)	(13,121)	(15,386)
Operating expenses				
Employee compensation and benefits	2,791	2,429	5,618	5,760
Interest expense (related party of $2,741, $3,140, $5,449 and $6,457, respectively)	4,706	4,898	9,276	8,313
Professional services, net	3,493	5,331	6,979	13,288
Loss on impairment of goodwill	1,479	—	1,479	—
Accrual of loss contingency related to arbitration award	—	—	—	62,831
Other expenses (related party of $714, $714, $1,428 and $1,428, respectively)	1,593	2,443	3,252	4,934
Total operating expenses	14,062	15,101	26,604	95,126
Net income (loss) before income taxes	(39,348)	(17,864)	(39,725)	(110,512)
Income tax expense	22	43	22	43
Net income (loss)	**(39,370)**	**(17,907)**	**(39,747)**	**(110,555)**
Plus: Net (income) loss attributable to noncontrolling interests - Customer ExAlt Trusts	117	9,780	(1,402)	25,992
Plus: Net loss attributable to noncontrolling interests - Ben	22,179	9,191	22,200	25,175
Less: Noncontrolling interest guaranteed payment	(4,982)	(4,693)	(9,890)	(9,317)
Net income (loss) attributable to Beneficient common shareholders	$ (22,056)	$ (3,629)	$ (28,839)	$ (68,705)
Other comprehensive income (loss):				
Unrealized gain (loss) on investments in available-for-sale debt securities	107	92	562	92
Total comprehensive income (loss)	(39,263)	(17,815)	(39,185)	(110,463)
Less: Comprehensive gain (loss) attributable to noncontrolling interests	(17,207)	(14,186)	(10,346)	(41,758)
Total comprehensive income (loss) attributable to Beneficient	$ (22,056)	$ (3,629)	$ (28,839)	$ (68,705)
Net income (loss) per common share[1]				
Class A - basic	$ (1.49)	$ (3.00)	$ (1.97)	$ (58.68)
Class B - basic	$ (1.49)	$ (3.00)	$ (1.97)	$ (58.68)
Net income (loss) per common share[1]				
Class A - diluted	$ (1.49)	$ (3.00)	$ (1.97)	$ (58.68)
Class B - diluted	$ (1.49)	$ (3.00)	$ (1.97)	$ (58.68)

(1) Periods presented have been adjusted to reflect the 1-for-8 reverse stock split on December 15, 2025.

Table 7: CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Dollars and shares in thousands, except per share amounts)	September 30, 2026 *(unaudited)*	March 31, 2026
ASSETS		
Cash and cash equivalents	$ 7,476	$ 2,543
Investments, at fair value:		
Investments held by Customer ExAlt Trusts (related party of nil and nil)	201,049	195,536
Derivative asset, related party	3,976	21,652
Other assets, net (related party of $515 and $514)	6,345	9,127
Goodwill	8,435	9,914
Total assets	$ 227,281	$ 238,772
LIABILITIES, TEMPORARY EQUITY, AND EQUITY (DEFICIT)		
Accounts payable and accrued expenses (related party of $18,999 and $17,571)	$ 59,909	$ 63,788
Other liabilities (related party of $36,007 and $30,497)	195,483	176,651
Warrants liability	273	308
Convertible debt, at fair value	1,357	—
Debt due to related parties	96,786	96,785
Total liabilities	353,808	337,532
Redeemable noncontrolling interests		
Preferred Series A Subclass 0 Redeemable Unit Accounts, nonunitized	90,526	90,526

Total temporary equity	90,526	90,526
Shareholders' equity (deficit):		
Preferred stock, par value $0.001 per share, 250,000 shares authorized		
Series A preferred stock, 0 and 0 shares issued and outstanding as of September 30, 2026 and March 31, 2026, respectively	—	—
Series B preferred stock, 3,229 and 1,831 shares issued and outstanding as of September 30, 2026 and March 31, 2026, respectively	3	2
Class A common stock, par value $0.001 per share, 625,000 and 625,000 shares authorized as of September 30, 2026 and March 31, 2026, respectively, 18,958 and 14,419 shares issued as of September 30, 2026 and March 31, 2026, respectively, and 18,957 and 14,418 shares outstanding as of September 30, 2026 and March 31, 2026, respectively	19	14
Class B convertible common stock, par value $0.001 per share, 31 shares authorized, 30 and 30 shares issued and outstanding as of September 30, 2026 and March 31, 2026, respectively	—	—
Additional paid-in capital	1,906,048	1,884,835
Accumulated deficit	(2,124,317)	(2,095,478)
Treasury stock, at cost (1 share as of September 30, 2026 and March 31, 2026)	(3,444)	(3,444)
Accumulated other comprehensive income (loss)	614	52
Noncontrolling interests	4,024	24,733
Total equity (deficit)	(217,053)	(189,286)
Total liabilities, temporary equity, and equity (deficit)	$ 227,281	$ 238,772

Table 8: Non-GAAP Reconciliations

(in thousands)

	Three Months Ended September 30, 2026					
	Ben Liquidity	Ben Custody	Customer ExAlt Trusts	Corporate/Other	Consolidating Eliminations	Consolidated
Total revenues	$ 8,664	$ 2,672	$ (10,811)	$ (14,560)	$ (11,251)	$ (25,286)
Mark to market adjustment on interests in GWG Wind Down Trust	—	—	(3,029)	—	—	(3,029)
Mark to market adjustment on derivative asset	—	—	—	13,915	—	13,915
Adjusted revenues	$ 8,664	$ 2,672	$ (13,840)	$ (645)	$ (11,251)	$ (14,400)
Operating income (loss)	$ (17,299)	$ 198	$ (55,256)	$ (22,130)	$ 55,139	$ (39,348)
Mark to market adjustment on interests in GWG Wind Down Trust	—	—	(3,029)	—	—	(3,029)
Mark to market adjustment on derivative asset	—	—	—	13,915	—	13,915
Goodwill and intangible asset impairment	—	1,479	—	—	—	1,479
Accrual of loss contingency related to arbitration award, including post-judgment interest	—	—	—	1,837	—	1,837
Share-based compensation expense	—	—	—	163	—	163
Legal and professional fees[1]	—	—	—	1,469	—	1,469
Adjusted operating income (loss)	$ (17,299)	$ 1,677	$ (58,285)	$ (4,746)	$ 55,139	$ (23,514)

(1) Includes legal and professional fees related to lawsuits.

(in thousands)

	Three Months Ended June 30, 2026					
	Ben Liquidity	Ben Custody	Customer ExAlt Trusts	Corporate/Other	Consolidating Eliminations	Consolidated
Total revenues	$ 8,215	$ 2,500	$ 15,856	$ (3,737)	$ (10,669)	$ 12,165
Mark to market adjustment on interests in GWG Wind Down Trust	—	—	—	—	—	—
Mark to market adjustment on derivative asset	—	—	—	3,760	—	3,760
Adjusted revenues	$ 8,215	$ 2,500	$ 15,856	$ 23	$ (10,669)	$ 15,925
Operating income (loss)	$ 7,354	$ 1,350	$ (26,968)	$ (10,600)	$ 28,487	$ (377)
Mark to market adjustment on interests in GWG Wind Down Trust	—	—	—	—	—	—
Mark to market adjustment on derivative asset	—	—	—	3,760	—	3,760
Goodwill and intangible asset impairment	—	—	—	—	—	—
Accrual of loss contingency related to arbitration award, including post-judgment interest	—	—	—	1,771	—	1,771
Share-based compensation expense	—	—	—	185	—	185
Legal and professional fees[1]	—	—	—	388	—	388
Adjusted operating income (loss)	$ 7,354	$ 1,350	$ (26,968)	$ (4,496)	$ 28,487	$ 5,727

(1) Includes legal and professional fees related to lawsuits.

(in thousands)

	Three Months Ended September 30, 2025

	Ben Liquidity	Ben Custody	Customer ExAlt Trusts	Corporate/Other	Consolidating Eliminations	Consolidated
Total revenues	$ 8,497	$ 3,081	$ (2,783)	$ (158)	$ (11,400)	$ (2,763)
Mark to market adjustment on interests in GWG Wind Down Trust	—	—	4	—	—	4
Mark to market adjustment on derivative asset	—	—	—	—	—	—
Adjusted revenues	$ 8,497	$ 3,081	$ (2,779)	$ (158)	$ (11,400)	$ (2,759)
Operating income (loss)	$ (821)	$ 2,292	$ (44,632)	$ (9,555)	$ 34,852	$ (17,864)
Mark to market adjustment on interests in GWG Wind Down Trust	—	—	4	—	—	4
Mark to market adjustment on derivative asset	—	—	—	—	—	—
Goodwill and intangible asset impairment	—	—	—	—	—	—
Accrual of loss contingency related to arbitration award, including post-judgment interest	—	—	—	1,656	—	1,656
Share-based compensation expense	—	—	—	462	—	462
Legal and professional fees[1]	—	—	—	3,154	—	3,154
Adjusted operating income (loss)	$ (821)	$ 2,292	$ (44,628)	$ (4,283)	$ 34,852	$ (12,588)

(1) Includes legal and professional fees related to lawsuits.

(in thousands)

Six Months Ended September 30, 2026

	Ben Liquidity	Ben Custody	Customer ExAlt Trusts	Corporate/Other	Consolidating Eliminations	Consolidated
Total revenues	$ 16,879	$ 5,172	$ 5,045	$ (18,297)	$ (21,920)	$ (13,121)
Mark to market adjustment on interests in the GWG Wind Down Trust	—	—	(3,029)	—	—	(3,029)
Mark to market adjustment on derivative asset	—	—	—	17,675	—	17,675
Adjusted revenues	$ 16,879	$ 5,172	$ 2,016	$ (622)	$ (21,920)	$ 1,525
Operating income (loss)	$ (9,945)	$ 1,548	$ (82,224)	$ (32,730)	$ 83,626	$ (39,725)
Mark to market adjustment on interests in the GWG Wind Down Trust	—	—	(3,029)	—	—	(3,029)
Mark to market adjustment on derivative asset	—	—	—	17,675	—	17,675
Goodwill and intangible asset impairment	—	1,479	—	—	—	1,479
Accrual of loss contingency related to arbitration award, including post-judgment interest	—	—	—	3,608	—	3,608
Share-based compensation expense	—	—	—	348	—	348
Legal and professional fees[1]	—	—	—	1,857	—	1,857
Adjusted operating income (loss)	$ (9,945)	$ 3,027	$ (85,253)	$ (9,242)	$ 83,626	$ (17,787)

(1) Includes legal and professional fees related to lawsuits.

(in thousands)

Six Months Ended September 30, 2025

	Ben Liquidity	Ben Custody	Customer ExAlt Trusts	Corporate/Other	Consolidating Eliminations	Consolidated
Total revenues	$ 17,332	$ 7,264	$ (15,634)	$ (118)	$ (24,230)	$ (15,386)
Mark to market adjustment on interests in the GWG Wind Down Trust	—	—	5	—	—	5
Mark to market adjustment on derivative asset	—	—	—	—	—	—
Adjusted revenues	$ 17,332	$ 7,264	$ (15,629)	$ (118)	$ (24,230)	$ (15,381)
Operating income (loss)	$ (6,838)	$ 5,420	$ (98,608)	$ (83,102)	$ 72,616	$ (110,512)
Mark to market adjustment on interests in the GWG Wind Down Trust	—	—	5	—	—	5
Mark to market adjustment on derivative asset	—	—	—	—	—	—
Goodwill and intangible asset impairment	—	—	—	—	—	—
Accrual of loss contingency related to arbitration award, including post-judgment interest	—	—	—	64,487	—	64,487
Share-based compensation expense	—	—	—	923	—	923
Legal and professional fees[1]	—	—	—	7,329	—	7,329
Adjusted operating income (loss)	$ (6,838)	$ 5,420	$ (98,603)	$ (10,363)	$ 72,616	$ (37,768)

(1) Includes legal and professional fees related to lawsuits.

(in thousands)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Six Months Ended September 30, 2026	Six Months Ended September 30, 2025
Operating Expenses Non GAAP Reconciliation				

Operating expenses	$ 14,062	$ 15,101	$ 26,604	$ 95,126
Less: Accrual of loss contingency related to arbitration award, including post-judgment interest	(1,837)	(1,656)	(3,608)	(64,487)
Less: Goodwill impairment	(1,479)	—	(1,479)	—
Operating expenses, excluding accrual of loss contingency related to arbitration award, including post-judgment interest	$ 10,746	$ 13,445	$ 21,517	$ 30,639

Adjusted Revenues, Adjusted Operating Income (Loss), Adjusted Segment Revenues attributable to Ben's Equity Holders, Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders, and Adjusted Operating Expenses are non-GAAP financial measures. We present these non-GAAP financial measures because we believe it helps investors understand underlying trends in our business and facilitates an understanding of our operating performance from period to period because it facilitates a comparison of our recurring core business operating results. The non-GAAP financial measures are intended as a supplemental measure of our performance that is neither required by, nor presented in accordance with, U.S. GAAP. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of these non-GAAP financial measures may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate such items in the same way.

We define adjusted revenue as revenue adjusted to exclude the effect of mark-to-market adjustments on related party equity securities that were acquired both prior to and during the Collateral Swap, which on August 1, 2023, became interests in the GWG Wind Down Trust and mark-to-market adjustments on derivative asset related to appreciation forfeiture for shares issued in the limited conversion of BCH Preferred A-1 to Class A common stock. Adjusted Segment Revenues attributable to Ben's Equity Holders is the same as "adjusted revenues" related to the aggregate of the Ben Liquidity, Ben Custody, and Corporate/Other Business Segments, which are the segments that impact the net income (loss) attributable to all equity holders of Beneficient, including equity holders of Beneficient's subsidiary, BCH.

Adjusted operating income (loss) represents GAAP operating income (loss), adjusted to exclude the effect of the adjustments to revenue as described above, credit losses on related party available-for-sale debt securities that were acquired in the Collateral Swap which on August 1, 2023, became interests in the GWG Wind Down Trust, and receivables from a related party that filed for bankruptcy and certain notes receivables originated during our formative transactions, non-cash asset impairment, share-based compensation expense, and legal, professional services, and public relations costs related to the GWG Holdings bankruptcy, lawsuits, and certain employee matters, including fees & loss contingency accruals (releases), including post judgment interest incurred in arbitration with a former director. Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders is the same as "adjusted operating income (loss)" related to the aggregate of the Ben Liquidity, Ben Custody, and Corporate/Other Business Segments, which are the segments that impact the net income (loss) attributable to all equity holders of Beneficient, including equity holders of Beneficient's subsidiary, BCH.

Adjusted operating expenses represent GAAP operating expenses, adjusted to exclude loss contingency accruals (releases), including post judgment interest incurred in arbitration with a former director, and non-cash asset impairment.

These non-GAAP financial measures are not a measure of performance or liquidity calculated in accordance with U.S. GAAP. They are unaudited and should not be considered an alternative to, or more meaningful than, GAAP revenues, GAAP operating expenses, or GAAP operating income (loss) as an indicator of our operating performance. Uses of cash flows that are not reflected in adjusted operating income (loss) or adjusted segment operating income (loss) attributable to Ben's Equity Holders include capital expenditures, interest payments, debt principal repayments, and other expenses, which can be significant. As a result, adjusted operating income (loss) and/or adjusted segment operating income (loss) attributable to Ben's Equity Holders should not be considered as a measure of our liquidity.

Because of these limitations, Adjusted Revenues, Adjusted Operating Income (Loss), Adjusted Segment Revenues attributable to Ben's Equity Holders, Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders, and Adjusted Operating Expenses should not be considered in isolation or as a substitute for performance measures calculated in accordance with U.S. GAAP. We compensate for these limitations by relying primarily on our U.S. GAAP results and using Adjusted Revenues, Adjusted Operating Income (Loss), Adjusted Segment Revenues attributable to Ben's Equity Holders, Adjusted Segment Operating Income (Loss) attributable to Ben's Equity Holders, and Adjusted Operating Expenses on a supplemental basis. You should review the reconciliation of these non-GAAP financial measures set forth above and not rely on any single financial measure to evaluate our business.

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/899c4d5f-d428-4517-a169-0fb47063f333