GREAT ELM GROUP

Great Elm Group, Inc.

Conference Call Presentation
Fiscal Third Quarter
Ended March 31, 2022

May 6, 2022

NASDAQ: GEG

Disclaimer

Statements in this press release that are "forward-looking" statements, including statements regarding expected growth, profitability, acquisition opportunities and outlook involve risks and uncertainties that may individually or collectively impact the matters described herein. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made and represent Great Elm's assumptions and expectations in light of currently available information. These statements involve risks, variables and uncertainties, and Great Elm's actual performance results may differ from those projected, and any such differences may be material. For information on certain factors that could cause actual events or results to differ materially from Great Elm's expectations, please see Great Elm's filings with the SEC, including its most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Additional information relating to Great Elm's financial position and results of operations is also contained in Great Elm's annual and quarterly reports filed with the SEC and available for download at its website www.greatelmgroup.com or at the SEC website www.sec.gov.

Non-GAAP Financial Measures

The SEC has adopted rules to regulate the use in filings with the SEC, and in public disclosures, of financial measures that are not in accordance with US GAAP, such as adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and free cash flow. See the Appendix for important information regarding the use of non-GAAP financial measures and reconciliations of non-GAAP measures to their most directly comparable GAAP measures.

This presentation does not constitute an offer of any securities for sale.

Business Strategy

GREAT ELM GROUP

Growth Strategy

- Acquire management rights to permanent capital vehicles that utilize the expertise of our Board, management, and financial resources, including our NOLs
- Focus on driving asset growth in GECC and Monomoy
- Increase AUM via new fund launches, SMAs and co-investments
- Leverage the existing team and infrastructure to generate incremental free cash flow

Business Operating Units

Investment Management

Great Elm Capital Management, Inc. ("GECM")

- SEC Registered Investment Advisor
- Investment Manager to Great Elm Capital Corp., a publicly traded BDC
- Investment Manager and Property Manager to Monomoy Properties REIT, LLC, a privately traded REIT
- Investment Manager to Great Elm Opportunities Fund, a private fund structured for a series of co-investment opportunities

Operating Companies

Great Elm Durable Medical Equipment ("DME") Business

- Distributor of respiratory care equipment (CPAP, ventilators, oxygen) and sleep study services
- Services a large and growing segment of the population who suffer from sleep disorders
- Aging population, rising obesity rates and the prevalence of smoking are causative factors
- Operates in AK, AZ, KS, IA, MO, NE, OR, WA
- 349 employees

Monomoy Properties Transaction

GREAT ELM GROUP

GEG is entering the Private REIT Industry through the acquisition of management agreements for Monomoy Properties, as well as a strategic investment of up to $30 million

- **This is a transformative transaction for GEG's investment management business:**
  - Encapsulates all of GEG's strategic growth objectives including the utilization of its tax attributes
  - Significant progress in GEG's strategy to manage a diversified set of long duration and / or permanent capital vehicles
    - AUM increases from $224 million to $572 million[1] and Investment professionals increase from 7 to 17
  - Investment in Private REIT at NAV gaining exposure to diversified portfolio of desirable properties
  - *Monomoy Manager ("Monomoy Manager"):* management company overseeing the day-to-day operations and investment process of the REIT
  - *Monomoy Properties ("Monomoy REIT"):* private real estate investment trust with a 108 property portfolio of diversified net leased industrial assets representing $348 million of gross real estate at fair value[1]

(1) As of December 31, 2021 with some figures based on March 31, 2022 estimates.

Key Strategic Considerations – Monomoy Manager

GREAT ELM GROUP

Acquisition of Monomoy Manager provides GEG the management of a long duration capital vehicle with significant opportunity to accelerate growth in management and property fee income

Considerations	Commentary
Long Duration Capital Vehicle	▪ Transaction gives GEG the management of another long duration capital vehicle ○ *Asset M*anagement fee of 1.0% of REIT NAV plus property management fee of 4.0% of gross rents ○ *Long Duration*: 5% of NAV cap on investor redemptions annually, contractual ability to convert into permanent capital upon IPO
Seasoned Management Team	▪ Acquiring entire 10 person operating team operating in Charleston, SC
Opportunity to Accelerate Growth	▪ GEG can accelerate Monomoy's growth through its capital investment, structuring expertise and fundraising abilities ○ *Capital Investment*: GEG's $15 million commitment and intention to invest an additional $15 million will increase annual management fees and property management fees upon deployment of that capital ○ Leverages fixed cost base ○ *Structuring Expertise:* Anticipated "Special Allocation" of depreciation & amortization expense should make an investment into the REIT more appealing for 3rd party investors – increasing fees for GEG ○ *Fundraising Ability*: GEG's directors and shareholders may be able to attract additional investment into the REIT

Key Strategic Considerations – Monomoy REIT

GREAT ELM GROUP

Underlying Monomoy REIT vehicle offers a unique portfolio of industrial property assets with significant runway for additional originations

Considerations	Commentary
Attractive Portfolio of Industrial Assets	▪ GEG's investment into the REIT represents the ability to own a piece of an attractive and hard to replicate portfolio of industrial properties ▪ The REIT has an established market position as a "landlord of choice" for large companies with significant outside storage requirements
Secular Tailwinds	▪ Monomoy is poised to capitalize on its focus on properties that we expect will benefit from macroeconomic secular shifts that include: ○ De-globalization and onshoring of supply chains ○ Infrastructure / construction spending and energy resurgence
Strong Growth Expected	▪ Significant room for growth with existing customers ○ Potential for proprietary sourced transformative portfolio acquisitions with tenants ○ Build on success of completed 'built-to-suit' projects with attractive cap rates
Valuation Upside	▪ Potential for meaningful multiple expansion upon IPO or strategic monetization of the REIT

Overview of Monomoy Properties

GREAT ELM GROUP

Monomoy Properties REIT, LLC is a private REIT with a diversified portfolio specializing in net leased industrial real estate assets

Currently maintains a portfolio of 108 owned properties, representing $348 million of real estate at fair value

Overview

- **Monomoy Properties is a private REIT with a diversified portfolio specializing in net leased industrial real estate assets:**
  - Focus on single tenant light industrial properties with small building footprints on significant acreage
  - Target investments in critical markets with favorable underlying economic trends and demographics
  - Build mutually beneficial relationships and streamline the management of tenants' real estate
  - Captive tenants lead to resilient rents and renewals throughout cycles
  - Poised to benefit from ongoing secular shifts
  - Deep industry experience, extensive contact network and exceptional underwriting

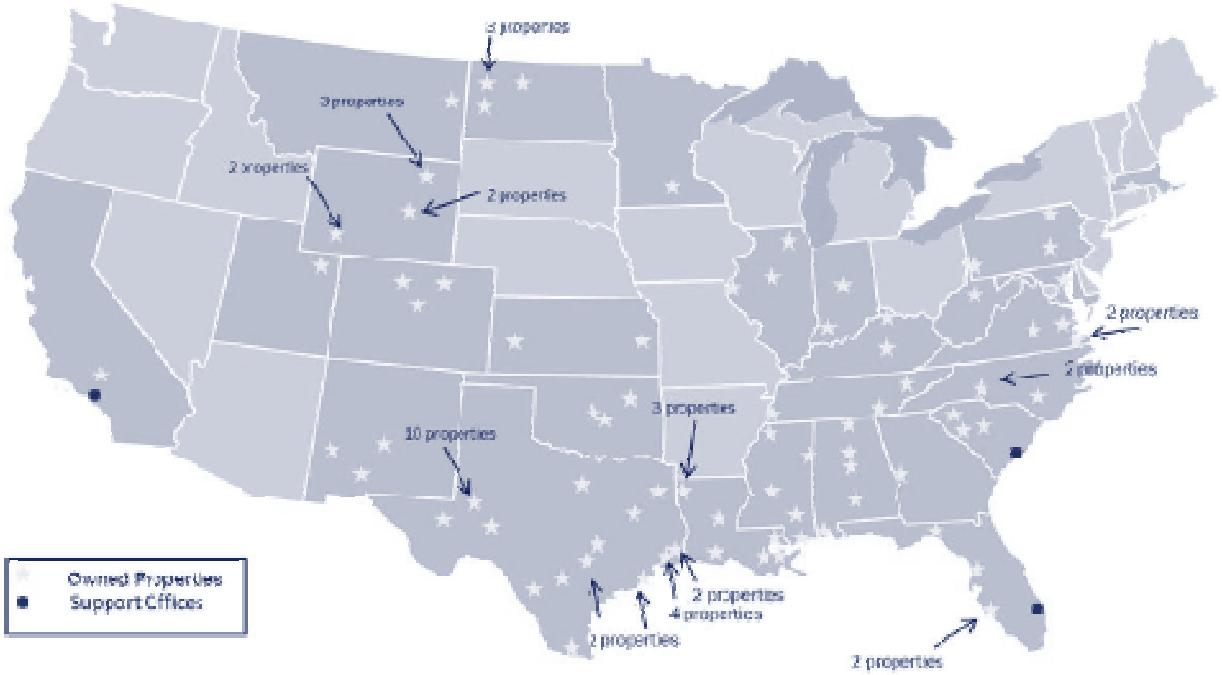
Monomoy at a Glance

108 *Owned Properties*	**1.9 M / 553** *Sq. Feet / Acres*	**27** *States with Properties*
41 *Unique Tenants*	**$348 M** *Real Estate Fair Value*	**$180 M** *Net Asset Value*
59% *Net Debt / Real Estate*	**$26 M** *Annual NOI*	**7.6%** *Current Cap Rate*

Geographical Diversity

GREAT ELM GROUP

***Monomoy Properties REIT, LLC** manages a growing portfolio of 108 properties in mission-critical market across 27 states.*



[1] *As of December 31, 2021 with some figures based on March 31, 2022 estimates*
Source: Monomoy and GEG management

Monomoy's Foundation

GREAT ELM GROUP

Proprietary Sourcing & Due Diligence

- Decades of industry experience and relationships
- Deep dive credit analysis

Strong Real Estate Markets

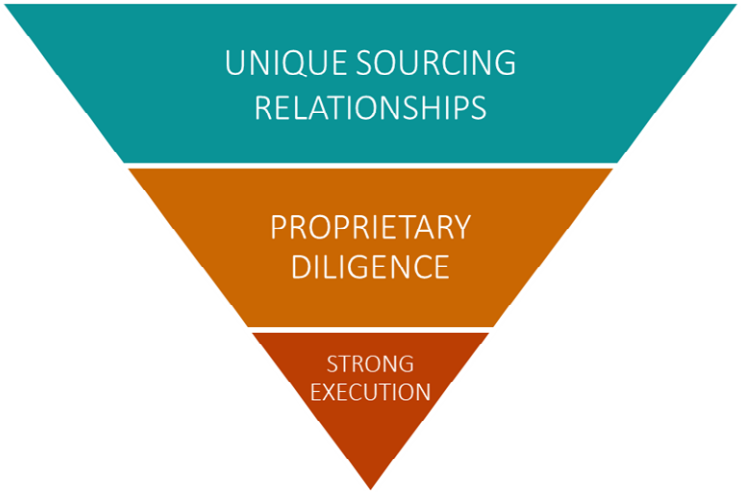
- Favorable demographics
- Positive underlying economic trends

Reasonable Financial Leverage

- Significant liquidity and flexibility to grow
- Weighted average maturity of debt exceeds weighted average lease term reducing financing risk

Stable Income

- Captive tenants
- Positive secular trends

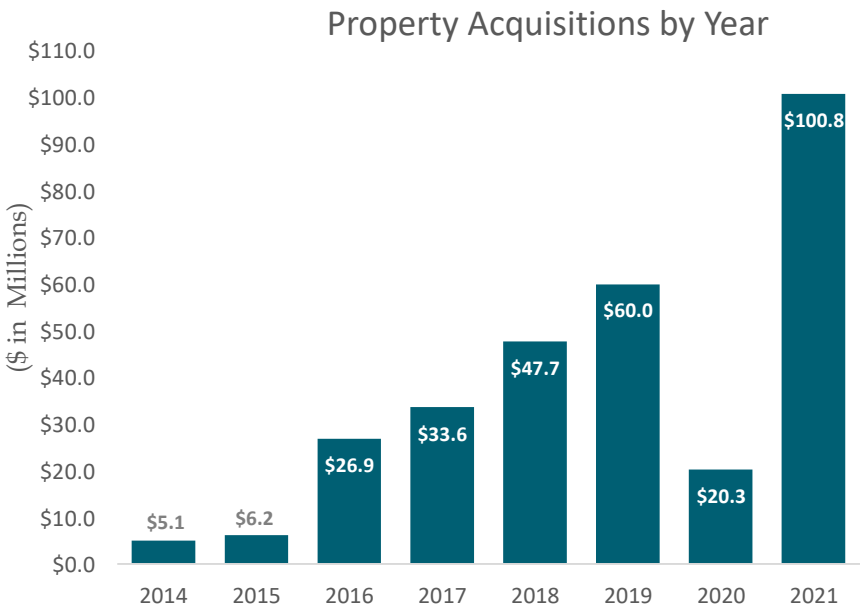


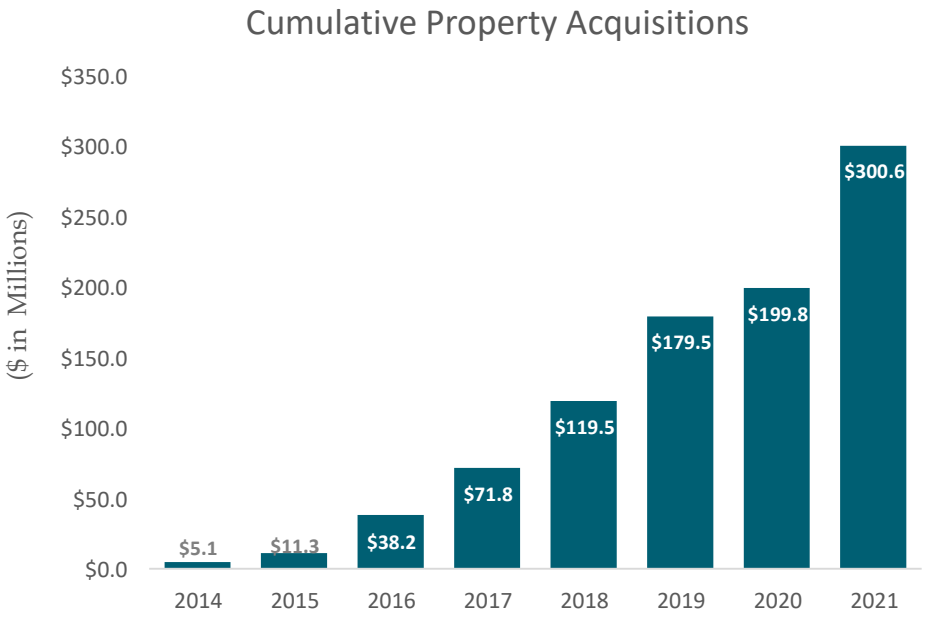
2,700+ PROERTIES EVALUATED

100 CLOSINGS

330+ PROPOSALS

Acquisition History





Current Tenants

GREAT ELM GROUP

We believe that an integral part of our success is built on maintaining strong long lasting relationships with our tenants. Listed here are several of our top tenants.

United Rentals
SUNBELT RENTALS
H&E EQUIPMENT SERVICES
CAT
HALLIBURTON
Schlumberger
USA COMPRESSION
SIEMENS
Gartner
DANHYDRA TOOL SOLUTIONS FOR WIND POWER
IEA
Equipment Share
MRC Global
WILLSCOT MOBILE MINI HOLDINGS CORP
WILLSCOT
mobile mini SOLUTIONS
CUSTOM TRUCK ONE SOURCE
Archrock

Acquisition Financial Details

GREAT ELM GROUP

- **The acquisition has two components:**
  - Acquisition of Monomoy Manager for a purchase price of $10 million and potential earnout up to $2 million
    - Transaction will be financed with a combination of GEG and GECC shares and a seller note
    - ICAM has the ability to receive two earnout payments up to $1 million each following the fiscal years ending June 30, 2023 and June 30, 2024 based upon achievement of certain financial metrics.
  - Targeted equity investment into Monomoy REIT of $30 million to fund growth in originations
    - GEG has committed to fund $15 million into Monomoy REIT and intends to invest an additional $15 million over the next 12 months, although it has no contractual obligation to do so
    - On May 5th, GEG filed an S-1 registration statement for a senior secured notes offering

Fiscal 2022 Third Quarter Highlights

Fiscal 2022 Third Quarter Highlights

GREAT ELM GROUP

Consolidated	IM	Operating Companies
Great Elm grew revenue by 20% year-over-year	GECM acquired the investment management agreement for Monomoy Properties REIT on May 5, 2022 GECC grew AUM year-over-year	DME grew revenue by 19% year-over-year Strong PAP resupply sales and significant improvements in revenue reserves

Strong Year-over-Year Revenue Growth

As of June 30, 2021, approximately $952 million of net operating loss (NOL) carryforwards for Federal income tax purposes

Consolidated Summary Financials: By Quarter

GREAT ELM GROUP

(in millions)	Three Months Ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Revenue by segment					
DME	$ 15.6	$ 15.7	$ 15.6	$ 15.4	$ 13.1
Investment Management	1.0	1.0	1.0	0.9	0.7
General Corporate	0.2	0.2	0.2	0.3	0.2
Eliminations	(0.2)	(0.2)	(0.2)	(0.3)	(0.2)
Consolidated	**$ 16.6**	**$ 16.7**	**$ 16.5**	**$ 16.3**	**$ 13.8**
Net income (loss) from continuing operations by segment[1]					
DME	$ (6.6)	$ 0.9	$ 2.1	$ 5.9	$ (5.1)
Investment Management	(4.0)	(2.6)	(0.1)	1.3	(0.7)
General Corporate	4.5	(2.5)	(1.8)	(8.3)	3.0
Consolidated	**$ (6.1)**	**$ (4.2)**	**$ 0.1**	**$ (1.1)**	**$ (2.8)**
Adj. EBITDA[1, 2] by segment					
DME	$ 2.5	$ 2.6	$ 5.1	$ 4.3	$ 3.4
Investment Management	(0.4)	(0.0)	0.1	0.1	0.0
General Corporate	(1.2)	(1.2)	(1.0)	(0.9)	(1.2)
Consolidated	**$ 1.0**	**$ 1.4**	**$ 4.3**	**$ 3.5**	**$ 2.3**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Consolidated Summary Financials: Year-Over-Year

GREAT ELM GROUP

(in millions)	Three Months Ended		Nine Months Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue by Segment				
DME	$ 15.6	$ 13.1	$ 46.9	$ 42.3
Investment Management	1.0	0.7	3.0	2.3
General Corporate	0.2	0.2	0.6	0.3
Eliminations	(0.2)	(0.2)	(0.6)	(0.3)
Consolidated	**$ 16.6**	**$ 13.8**	**$ 49.9**	**$ 44.5**
Net Income (Loss) from Continuing Operations by Segment[1]				
DME	$ (6.6)	$ (5.1)	$ (3.6)	$ (8.4)
Investment Management	(4.0)	(0.7)	(6.8)	1.4
General Corporate	4.5	3.0	0.2	(0.5)
Consolidated	**$ (6.1)**	**$ (2.8)**	**$ (10.2)**	**$ (7.4)**
Adj. EBITDA[1,2] by Segment				
DME	$ 2.5	$ 3.4	$ 10.3	$ 8.1
Investment Management	(0.4)	0.0	(0.3)	0.3
General Corporate	(1.2)	(1.2)	(3.3)	(3.3)
Consolidated	**$ 1.0**	**$ 2.3**	**$ 6.6**	**$ 5.1**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Operating Companies: DME – Operating Highlights

GREAT ELM GROUP

- **In fiscal 3Q22, DME generated $15.6 million of revenue, a $6.6 million net loss and $2.5 million of Adjusted EBITDA[1]**
  - Revenue increased due to continued organic growth in resupply sales and contributions from the AMPM and MedOne acquisitions
  - These acquisitions expand DME's geographic reach and achieve synergies through operational integration initiatives
  - The $6.6 million net loss includes $5.6 million in intercompany charges related to the valuation of an embedded derivative that eliminates in consolidation.
  - Normalized for employee retention payroll tax credits claimed under the CARES Act in the prior year period, Adjusted EBITDA increased by $1.4 million.
  - Operations benefitted from higher sales in part due to the strengthening of our Midwest business in Kansas and Missouri as a result of our AMPM acquisition, as well as lower operating cost due to a continued focus on prudent expense management
- **Over the trailing 12 month period ended March 31, 2022, DME generated total revenue, net income and Adjusted EBITDA[1] of $62.3 million, $2.3 million and $14.6 million, respectively, compared to $56.2 million, ($5.6) million and $15.0 million in the prior 12-month period ended March 31, 2021. Normalized for stimulus benefits received under the CARES Act, Adjusted EBITDA was $9.9 million and $7.7 million for the 12 month periods ended March 31, 2022 and 2021, respectively.**

(1) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix

Operating Companies: DME – By Quarter

GREAT ELM GROUP

(in thousands)	Three Months Ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Total net revenue					
Sales and services revenue - medical equipment	$ 8,976	$ 8,968	$ 8,730	$ 8,566	$ 7,309
Sales and services revenue - sleep studies	1,383	1,309	1,346	1,531	1,297
Total sales and services revenue	10,359	10,277	10,076	10,097	8,606
Rental income	5,275	5,451	5,479	5,276	4,511
Total net revenue	**$ 15,634**	**$ 15,728**	**$ 15,555**	**$ 15,373**	**$ 13,117**
GAAP net income (loss) from continuing operations[1]	**$ (6,620)**	**$ 937**	**$ 2,082**	**$ 5,906**	**$ (5,059)**
Interest expense	1,269	1,289	1,287	1,274	1,280
Depreciation and amortization	2,003	2,040	2,142	2,079	1,986
Transaction and integration related costs, including ext of debt	63	176	219	461	380
Change in contingent consideration	68	(285)	(163)	(126)	-
Location closure	-	-	-	-	-
Mgmt fees	117	60	130	168	46
Other (income) / expense	5,612	(1,584)	(560)	(5,457)	4,795
Adj. EBITDA[1,2]	**$ 2,512**	**$ 2,633**	**$ 5,137**	**$ 4,305**	**$ 3,428**
(Maintenance capex)	(28)	(17)	(48)	(219)	(14)
(Growth capex)	(2,149)	(1,464)	(1,948)	(1,881)	(2,008)
Transaction costs and integration costs paid, including ext of debt	(63)	(176)	(219)	(340)	(380)
Unleveraged free cash flow	**$ 272**	**$ 976**	**$ 2,922**	**$ 1,865**	**$ 1,026**
Interest expense paid	(979)	(1,000)	(1,000)	(989)	(1,011)
Scheduled debt amortization	-	-	-	-	-
Leveraged free cash flow[1]	**$ (707)**	**$ (24)**	**$ 1,922**	**$ 876**	**$ 15**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Operating Companies: DME – Year-Over-Year

GREAT ELM GROUP

(in thousands)	Three Months Ended		Nine Months Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Total Net Revenue:				
Sales and Services Revenue - Medical Equipment	$ 8,976	$ 7,309	$ 26,674	$ 23,728
Sales and Services Revenue - Sleep Studies	1,383	1,297	4,038	3,635
Total Sales and Services Revenue	10,359	8,606	30,712	27,363
Rental Income	5,275	4,511	16,205	14,907
Total Net Revenue	**$ 15,634**	**$ 13,117**	**$ 46,917**	**$ 42,270**
Adj. EBITDA[2]:				
Net income (loss) from continuing operations - GAAP	**$ (6,620)**	**$ (5,059)**	**$ (3,601)**	**$ (8,395)**
Interest expense	1,269	1,280	3,845	2,676
Depreciation and amortization	2,003	1,986	6,185	6,116
Transaction and integration related costs, including ext of debt	63	380	458	2,646
Change in contingent consideration	68	-	(380)	-
Location closure	-	-	-	54
Mgmt fees	117	46	307	224
Other (income) / expense	5,612	4,795	3,468	4,765
Adj. EBITDA[2]	**$ 2,512**	**$ 3,428**	**$ 10,282**	**$ 8,086**
(Maintenance capex)	(28)	(14)	(93)	(68)
(Growth capex)	(2,149)	(2,008)	(5,561)	(5,459)
Transaction costs and integration costs paid, including ext of debt	(63)	(380)	(458)	(2,461)
Unleveraged free cash flow	**$ 272**	**$ 1,026**	**$ 4,170**	**$ 98**
Interest expense paid	(979)	(1,011)	(2,979)	(2,327)
Scheduled debt amortization	-	-	-	(354)
Leveraged free cash flow	**$ (707)**	**$ 15**	**$ 1,191**	**$ (2,583)**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Investment Management: A Scalable, High Margin Business

GREAT ELM GROUP

AUM GROWTH

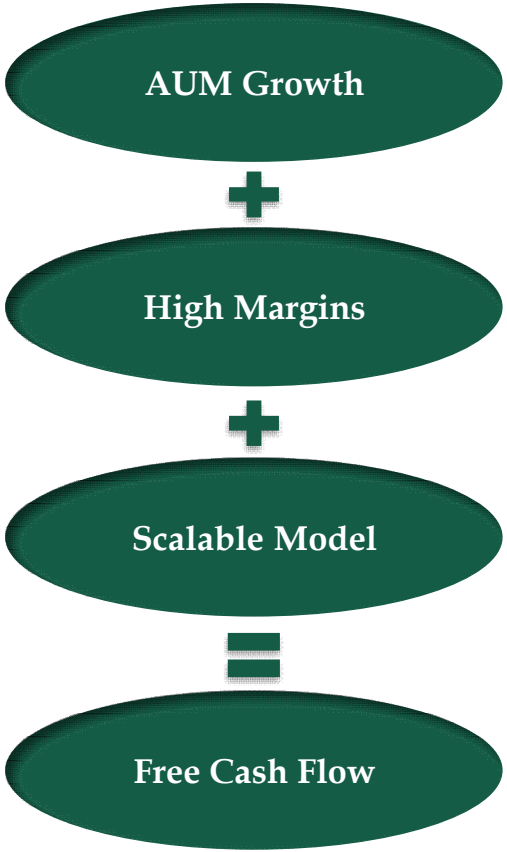
Grow GECC's AUM through the issuance of additional debt and equity, supplemented by accretive acquisitions, resulting in an increase in fee revenue

Grow the Investment Management business by leveraging the existing team to launch additional vehicles

SCALABLE MODEL

Infrastructure in place to support growth in AUM and new investment vehicles

Investment team in place to support growth in AUM



HIGH MARGINS

Given the largely fixed cost nature of the Investment Management business, we expect adjusted EBITDA margins to increase as our AUM increases and the business scales

FREE CASH FLOW

Growth in AUM in the Investment Management business coupled with its high margins and scalable business model could result in operating leverage and, thus, the potential for growth in adjusted EBITDA and free cash flow

Investment Management

GREAT ELM GROUP

In fiscal 3Q22, Investment Management generated $1.0 million of revenue, a $4.0 million net loss and ($0.4) Adjusted EBITDA[1]

- Year over year revenue growth driven by an increase in the average assets on which management fees are calculated
- Increased revenue was more than offset by higher selling, general and administrative expenses due to an increase in allocated payroll costs, bonus accruals and consulting fees

Quarterly Highlight

Great Elm Capital Management, Inc., a subsidiary of GEG, acquired the investment management agreement for Monomoy Properties REIT on May 5, 2022

Monomoy's diversified portfolio of industrial properties is poised for sustainable growth reflecting the REIT's differentiated positioning, secular market shifts, and strong tenant relationships

Monomoy Properties is a private real estate investment trust

- 108-property portfolio of diversified net leased industrial assets
- $348 million of gross real estate at fair value

(1) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Investment Management: By Quarter

GREAT ELM GROUP

(in thousands)	Three Months Ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Total revenues	**$ 988**	**$ 1,021**	**$ 983**	**$ 949**	**$ 728**
GAAP net income (loss) from continuing operations[1]	**$ (3,981)**	**$ (2,631)**	**$ (140)**	**$ 1,311**	**$ (732)**
Non-cash compensation	262	946	396	185	181
Interest expense, net	24	24	24	25	25
Dividend income on managed products	(548)	(549)	(554)	(554)	(554)
Gain (loss) on managed products	3,770	2,055	305	(981)	984
Depreciation and amortization expense	89	108	109	109	109
Adj. EBITDA[1,2]	**$ (384)**	**$ (47)**	**$ 140**	**$ 95**	**$ 13**
Capital expenditures	-	(3)	-	-	-
Interest expense paid	-	-	-	-	-
Dividend income paid on managed products	548	1,103	554	554	-
Scheduled debt amorization	-	-	-	-	-
Leveraged free cash flow[1]	**$ 164**	**$ 1,053**	**$ 694**	**$ 649**	**$ 13**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Investment Management: Year-Over-Year

GREAT ELM GROUP

(in thousands)	Three Months Ended		Nine Months Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Total revenues	**$ 988**	**$ 728**	**$ 2,992**	**$ 2,261**
Net income (loss) from continuing operations - GAAP[1]	**$ (3,981)**	**$ (732)**	**$ (6,752)**	**$ 1,415**
Non-cash compensation	262	181	1,604	572
Interest expense, net	24	25	72	76
Dividend income on managed products	(548)	(554)	(1,651)	(2,400)
Gain (loss) on managed products	3,770	984	6,130	260
Depreciation and amortization expense	89	109	306	364
Adj. EBITDA[1,2]	**$ (384)**	**$ 13**	**$ (291)**	**$ 287**
Capital expenditures	-	-	(3)	-
Interest expense paid	-	-	-	(50)
Dividend income paid on managed products	548	-	2,205	147
Scheduled debt amorization	-	-	-	-
Leveraged free cash flow[1]	**$ 164**	**$ 13**	**$ 1,911**	**$ 384**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

General Corporate: By Quarter

GREAT ELM GROUP

(in thousands)	Three Months Ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Total revenue	**$ 230**	**$ 172**	**$ 243**	**$ 281**	**$ 162**
Operating costs and expenses[1]:					
Public company costs	(893)	(878)	(993)	(429)	(1,162)
Non-cash compensation	(21)	(22)	(29)	(20)	(31)
Other general and administrative	(781)	(677)	(664)	(975)	(777)
Operating loss	**$ (1,465)**	**$ (1,405)**	**$ (1,443)**	**$ (1,143)**	**$ (1,808)**
Depreciation & Amortization	-	(1)	-	-	(1)
Dividend and interest income	1,296	1,315	1,317	1,125	1,231
Interest expense, net	(1,263)	(1,269)	(1,269)	(1,167)	(1,287)
Income tax	20	65	1	(1,669)	43
Gains / losses on passive investments	266	428	102	-	-
Change in value of embedded derivative	5,612	(1,598)	(544)	(5,442)	4,795
GAAP net income (loss) from continuing operations[1]	**$ 4,466**	**$ (2,465)**	**$ (1,836)**	**$ (8,296)**	**$ 2,973**
Management fee	(117)	(60)	(130)	(168)	(46)
Non-cash compensation	316	280	372	240	470
Transaction and integration related costs	92	35	184	254	155
Interest, taxes, and depreciation	1,243	1,205	1,268	2,836	1,245
Interest income from preferred stock	(1,202)	(1,220)	(1,218)	(1,186)	(1,168)
Dividend income	(96)	(95)	(99)	-	-
Gain (loss) on passive investments	(266)	(428)	(102)	-	-
Change in value of embedded derivative	(5,612)	1,598	544	5,442	(4,795)
Adj. EBITDA[1,2]	**$ (1,176)**	**$ (1,150)**	**$ (1,017)**	**$ (878)**	**$ (1,166)**
Capital expenditures			-	-	-
Interest expense paid	140	161	169	141	965
Transaction costs and integration costs paid	(92)	(35)	(184)	(254)	(155)
Levered free cash flow[1]	**$ (1,128)**	**$ (1,024)**	**$ (1,032)**	**$ (991)**	**$ (356)**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

General Corporate: Year-Over-Year

GREAT ELM GROUP

(in thousands)	Three Months Ended		Nine Months Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Total revenue	$ 230	$ 162	$ 645	$ 298
Operating costs and expenses[1]:				
Public company costs	(893)	(1,162)	(2,764)	(2,427)
Non-cash compensation	(21)	(31)	(72)	(354)
Other general and administrative	(781)	(777)	(2,122)	(1,916)
Operating loss	$ (1,465)	$ (1,808)	$ (4,313)	$ (4,399)
Depreciation and amortization	-	(1)	(1)	(2)
Dividend and interest income	1,296	1,231	3,928	1,239
Interest expense, net	(1,263)	(1,287)	(3,801)	(2,086)
Income tax	20	43	86	(6)
Gains / losses on passive investments	266	-	796	-
Change in value of embedded derivative	5,612	4,795	3,470	4,795
Net income (loss) from continuing operations - GAAP[1]	$ 4,466	$ 2,973	$ 165	$ (459)
Management fee	(117)	(46)	(307)	(182)
Non-cash compensation	316	470	968	793
Transaction and integration related costs	92	155	311	417
Interest, taxes, and depreciation	1,243	1,245	3,716	2,094
Interest income on preferred stock	(1,202)	(1,168)	(3,640)	(1,168)
Dividend income	(96)	-	(290)	-
Gain (loss) on investments	(266)	-	(796)	-
Change in value of embedded derivative	(5,612)	(4,795)	(3,470)	(4,795)
Adj. EBITDA[1,2]	$ (1,176)	$ (1,166)	$ (3,343)	$ (3,300)
Capital expenditures	-	-	-	-
Interest expense paid	140	965	470	965
Transaction costs and integration costs paid	(92)	(155)	(311)	(417)
Levered free cash flow[1]	$ (1,128)	$ (356)	$ (3,184)	$ (2,752)

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Financial Review: 3Q22 Consolidating Balance Sheets (Unaudited)

GREAT ELM GROUP

$ in thousands	Durable Medical Equipment	Investment Management	Corporate	Elimination	Consolidated
ASSETS					
Cash and cash equivalents	$ 6,031	$ 568	$ 16,147	$ -	$ 22,746
Accounts receivable, net	6,284	1,464	96	(168)	7,676
Investments at fair value	-	13,419	5,741	-	19,160
Investments at fair value, Consolidated Fund NAV	-	13,787	-	168	13,955
Inventory	949	-	-	-	949
Property and equipment, net	7,403	19	1	-	7,423
Identifiable intanglible assets, net	6,209	1,524	-	-	7,733
Goodwill	52,463	-	-	-	52,463
Right of use asset	3,299	725	-	-	4,024
Other assets	608	238	716	(319)	1,243
Total Assets	$ 83,246	$ 31,744	$ 22,701	$ (319)	$ 137,372
LIABILITIES					
Accounts payable & accrued liabilities	$ 8,759	$ 1,057	$ 2,186	$ (319)	$ 11,683
Deferred revenue	1,420	-	-	-	1,420
Lease and other liabilities	3,439	895	276	-	4,610
Related party notes payable	-	2,996	(2,996)	-	-
Convertible notes	-	-	34,278	-	34,278
Preferred stock - HC LLC	46,265	-	(44,629)	-	1,636
Preferred stock - Forest	-	-	34,058	-	34,058
Equipment financing	2,711	-	-	-	2,711
Intercompany, net [1]	20,625	33,163	(53,788)	-	-
Total Liabilities	83,219	38,111	(30,615)	(319)	90,396
EQUITY	27	(6,367)	53,316	-	46,976
Total Liabilities and Equity	$ 83,246	$ 31,744	$ 22,701	$ (319)	$ 137,372

(1) Intercompany balances, including intercompany borrowings and GEG investments in subsidiaries. All intercompany balances eliminate in consolidation.

Financial Review: 3Q22 Consolidating Income Statement (Unaudited)

GREAT ELM GROUP

$ in thousands	For the three months ended March 31, 2022				
	Durable Medical Equipment	Investment Management	Corporate	Elimination	Consolidated
Total Revenues	$ 15,634	$ 988	$ 230	$ (230)	$ 16,622
Cost of revenue	(6,070)	-	-	-	(6,070)
Depreciation and amortization expense	(428)	(89)	-	-	(517)
Selling, general and administration	(8,875)	(1,634)	(1,695)	230	(11,974)
Total operating costs and expenses	(15,373)	(1,723)	(1,695)	230	(18,561)
Operating income (loss)	261	(735)	(1,465)	-	(1,939)
Dividends and interest income	-	548	1,296	(1,202)	642
(Gains) / losses on investments	-	(3,770)	266	-	(3,504)
Interest expense, net	(1,269)	(24)	(1,263)	1,202	(1,354)
Other income (expense), net	(5,612)	-	5,612	-	-
Income (loss) before taxes	(6,620)	(3,981)	4,446	-	(6,155)
Income tax benefit	-	-	20	-	20
Net income (loss) from continuing operations	**(6,620)**	**(3,981)**	**4,466**	-	**(6,135)**
Adjusted EBITDA	**$ 2,512**	**$ (384)**	**$ (1,176)**	**$ -**	**952**

(1) Please refer to the disclaimers on slide 2 and the Adjusted EBITDA reconciliation tables in the Appendix.

Strong Shareholder Alignment

GREAT ELM GROUP

Employee Share Ownership

- Employees of GEG collectively own approximately 1.9 million shares of GEG, representing approximately 7% of GEG's outstanding shares

+

Director Share Ownership

- The directors of GEG beneficially own approximately 6.2 million shares of GEG in the aggregate, representing approximately 23% of GEG's outstanding shares

=

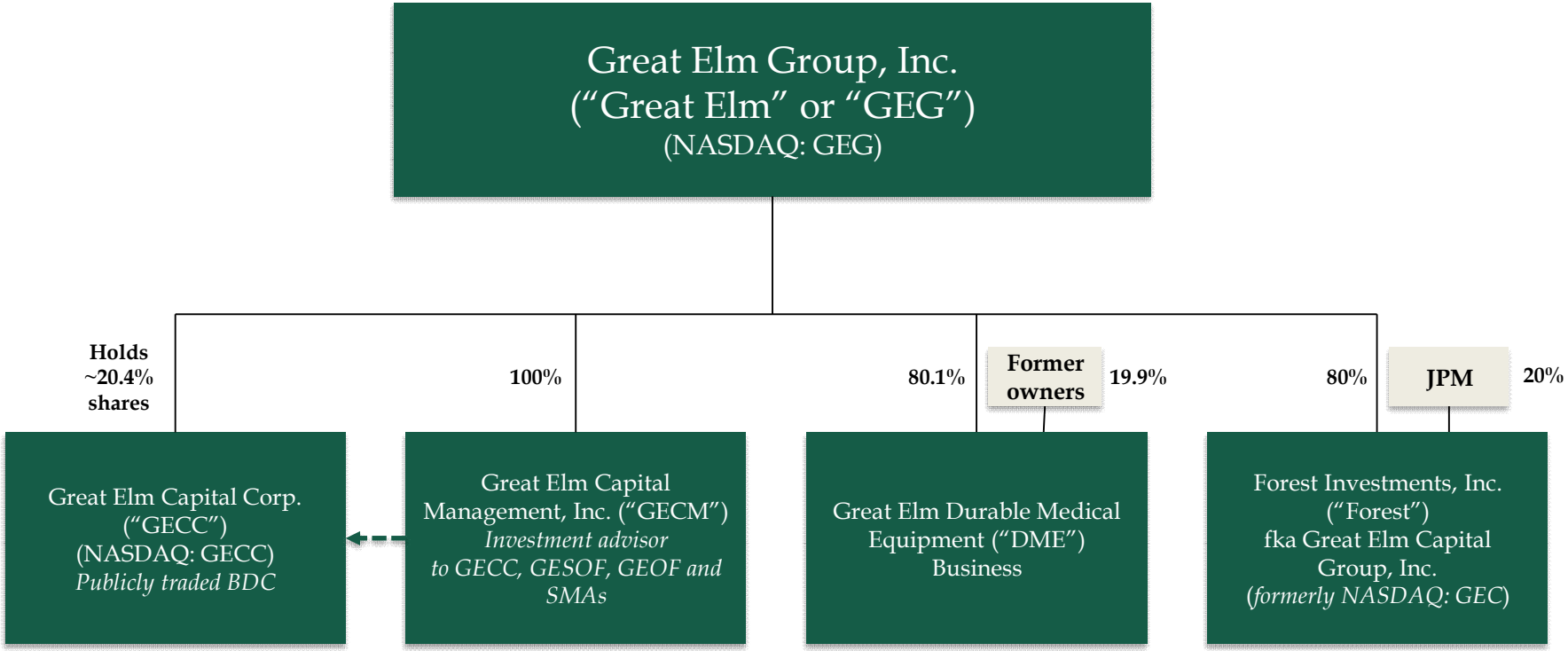
Significant Alignment of Interest

- When combined, **insider ownership totals approximately 30% of the outstanding shares**
- We believe this level of insider ownership results in a **significant and long-term alignment of interest** between the shareholders and the insiders of GEG

(1) This includes shares issued under restricted stock awards that are subject to service vesting and is based on the share count pro forma for the vesting of said restricted shares.

Appendix

Organization: Structure



Note: Chart is designed to be illustrative and does not include all entities comprising Great Elm Group, Inc's corporate structure.

Appendix: Non-GAAP Reconciliation

GREAT ELM GROUP

$ in thousands	For the three months ended March 31, 2022			
	Durable Medical Equipment	Investment Management	Corporate	Consolidated
EBITDA:				
Net income (loss) from continuing operations - GAAP	**$ (6,620)**	**$ (3,981)**	**$ 4,466**	**$ (6,135)**
Interest expense	1,269	24	1,263	2,556
Interest income from preferred stock	-	-	(1,202)	(1,202)
Depreciation & amortization	2,003	89	-	2,092
Tax expense (benefit)	-	-	(20)	(20)
EBITDA	**(3,348)**	**(3,868)**	**4,507**	**(2,709)**
Adjusted EBITDA				
Non-cash compensation	-	262	316	578
Change in contingent consideration	68	-	-	68
Dividend income	-	(548)	(96)	(644)
(Gains) / losses on investments	-	3,770	(266)	3,504
Other (income) expense	5,612	-	(5,612)	-
Transaction and integration related costs [(2)]	63	-	92	155
DME management and monitoring fees	117	-	(117)	-
Adjusted EBITDA	**$ 2,512**	**$ (384)**	**$ (1,176)**	**$ 952**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Transaction and integration related costs include costs to acquire and integrate acquired businesses.

Appendix: Non-GAAP Reconciliation (cont.): Prior Year Period

GREAT ELM GROUP

$ in thousands	For the three months ended March 31, 2021			
	Durable Medical Equipment	Investment Management [1]	Corporate [1]	Consolidated
EBITDA:				
Net income (loss) from continuing operations - GAAP	**$ (5,059)**	**$ (732)**	**$ 2,973**	**$ (2,818)**
Interest expense	1,280	25	1,287	2,592
Interest income from preferred stock	-	-	(1,168)	(1,168)
Depreciation & amortization	1,986	109	1	2,096
Tax expense (benefit)	-	-	(43)	(43)
EBITDA	**(1,793)**	**(598)**	**3,050**	**659**
Adjusted EBITDA				
Non-cash compensation	-	181	470	651
Dividend income	-	(554)	-	(554)
(Gains) / losses on investments	-	984	-	984
Other (income) expense	4,795	-	(4,795)	-
Transaction and integration related costs [2]	380	-	155	535
DME management and monitoring fees	46	-	(46)	-
Adjusted EBITDA	**$ 3,428**	**$ 13**	**$ (1,166)**	**$ 2,275**

(1) Previously reported amounts below have been recast to reflect the full retrospective adoption of ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity and to conform with current segment organization. (2) Transaction and integration related costs include costs to acquire and integrate acquired businesses.

Appendix: Contact Information

Investor Relations Contact:
Michael Kim
investorrelations@greatelmcap.com