

Crown Capital Partners Announces Q4 2025 Financial Results

CALGARY, AB, Feb. 17, 2026 /CNW/ - Crown Capital Partners Inc. ("Crown" or the "Corporation") (TSX: CRWN) today announced its financial results for the three and twelve months ended December 31, 2025. Crown's complete financial statements and management's discussion and analysis are available on SEDAR at www.sedarplus.ca.

Q4 2025 Financial & Operating Overview

- Crown recognized net income of \$1.7 million (\$0.29 income per basic share) in Q4 2025 compared to a net loss of \$(10.9) million (\$1.95 loss per basic share) in Q4 2024.
- Adjusted EBITDAⁱ was \$7.8 million in Q4 2025 compared to \$0.4 million in Q4 2024 due primarily to increased earnings from the Network Services, Distribution Services and Real Estate segments and a decrease in expenses of the Corporate and Other segment, partially offset decreased earnings from Distributed Power.
- Distribution services revenue was \$12.3 million in Q4 2025 compared to \$10.2 million in Q4 2024, an increase of 20.5% due primarily to an improved customer mix particularly in the Columbus warehouse as well as increased capacity utilization, primarily in the Calgary and Reno warehouses, which was 80% at December 31, 2025 (December 30, 2024 - 62%). This segment reported income before income taxes of \$0.5 million (2024 - \$1.9 million) and Adjusted EBITDAⁱ of \$0.9 million (2024 - \$0.8 million), with Adjusted EBITDA remaining consistent year-over-year.
- Network services revenue was \$21.3 million in Q4 2025 compared to \$6.6 million in Q4 2024, an increase of 223.9% attributable to a year-over-year increase in revenues due to a significant growth in hardware sales in Galaxy and modest increases from Community Network Partners in respect of revenues from the high speed internet infrastructure project in Brooks, Alberta and the Ontario Connects: Accelerated High-Speed Internet Program (the "Ontario Connects Program"), partially offset by a decrease in revenues from the continued runoff of customer contracts in WireE. This segment reported income before income taxes of \$5.7 million (2024 - loss before income taxes \$(1.7) million) and Adjusted EBITDAⁱ of \$7.0 million (2024 - \$0.1 million).
- Real Estate segment revenue was \$1.3 million in Q4 2025 compared to \$1.0 million in Q4 2024, an increase of 30.0% year-over-year due primarily to increased leasing activity during the quarter. This segment recorded a loss before income taxes of \$(0.4) million (2024 - \$(7.2) million) and Adjusted EBITDAⁱ of \$0.3 million (2024 - \$(0.1) million).
- The Specialty Finance and Distributed Power segments had minimal impact on the financial results for the three months ended December 31, 2025 and 2024.
- Total equity at quarter-end decreased to \$5.2 million from \$8.6 million at the end of 2024 due primarily to a net loss attributable to shareholders of \$(3.9) million. Total equity per share decreased to \$0.87 per basic share from \$1.53 per basic share as at December 31, 2024.
- On October 1, 2025, the Corporation acquired, through its subsidiary PenEquity Inc., 100% of the common shares of PenEquity Realty Corporation ("PRC") for nominal consideration, which owns a parcel of land and a building in London, Ontario through its wholly owned subsidiaries, Goal Ventures Inc. and Goal Ventures (Southwest) Inc. The Corporation has significant influence but not control over PRC. Consequently, PRC is recognized as an investment in associate accounted for using the equity method.
- As of February 17, 2026, the Corporation had not paid the scheduled interest payment of \$3.2 million due on December 31, 2025 in respect of the 12% subordinated debentures ("Debentures"). Since January 30, 2026, this has constituted an event of default under the terms of the trust indenture that governs the Debentures. Accordingly, the holders of the Debentures, subject to certain conditions, are contractually entitled to request immediate repayment of the

outstanding balance of \$23.2 million, including principal and interest, but have not requested immediate repayment.

- As of February 17, 2026, the Corporation had not paid the scheduled interest payment of \$0.1 million due on December 31, 2025 in respect of the 10% redeemable secured subordinated debentures ("New Subordinated Debentures"). This constitutes an event of default, but the holders of the New Subordinated Debentures have not requested immediate repayment.
- The Corporation is in advanced stages of disposing of several assets to address its liquidity requirements; however, there is no assurance that such arrangements will become available.
- In November 2025, the Corporation changed its financial year-end from December 31 to March 31. The change in financial year-end was made to improve the Corporation's financial and operational efficiencies and to align with the availability of audit services. Crown's current financial year will end on March 31, 2026 and will include five calendar quarters.

Q4 2025 Financial Results Summary

FOR THE PERIODS ENDED DEC. 31 (THOUSANDS, EXCEPT PER SHARE AND NUMBER OF COMMON SHARES)	Three Months Ended		Twelve Months Ended	
	2025	2024	2025	2024
Revenue:				
Distribution services revenue	\$ 12,309	\$ 10,215	\$ 45,291	\$ 36,875
Network services revenue	21,328	6,585	46,255	26,164
Fees and other income	1,616	1,439	5,961	6,700
Distributed power interest revenue	117	136	428	661
Merchant power revenue	110	359	480	1,301
Total revenue	35,480	18,734	98,415	71,701
Share of losses from investments in associates	(36)	(516)	(33)	(15,648)
Income (loss) attributable to Shareholders	1,723	(10,921)	(3,880)	(29,409)
Comprehensive income (loss) attributable to Shareholders	1,738	(11,110)	(3,765)	(29,663)
Adjusted EBITDA ¹	7,846	401	14,769	4,321
Total assets	154,552	147,014	154,552	147,014
Total equity	5,200	8,565	5,200	8,565
Per share:				
- Net income (loss) to Shareholders - basic	\$ 0.29	\$ (1.95)	\$ (0.67)	\$ (5.26)
- Net income (loss) to Shareholders - diluted	0.29	(1.95)	(0.67)	(5.26)
- Adjusted EBITDA per share - basic ⁱ	1.31	0.07	2.54	0.77
- Total equity per share - basic	0.87	1.53	0.87	1.53
Number of common shares:				
- Outstanding at end of period	5,977,832	5,588,646	5,977,832	5,588,646
- Weighted average outstanding - basic	5,977,832	5,588,646	5,816,283	5,588,646
- Weighted average outstanding - diluted	5,977,832	5,588,646	5,816,283	5,588,646

Quarterly reconciliations of loss before income taxes to Adjusted EBITDA¹

FOR THE PERIODS ENDED (THOUSANDS)	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Income (loss) before income taxes	3,629	530	(3,372)	(1,536)	(10,883)	(2,632)	(14,885)	(306)
Adjustments for amounts attributable to shareholders in relation to: ¹								
Depreciation and amortization	2,896	2,760	2,995	3,036	3,125	2,826	2,804	2,718
Finance costs	2,461	2,294	2,613	1,990	2,533	2,413	1,975	2,057
Payments of lease obligations	(1,497)	(1,467)	(1,463)	(1,453)	(1,381)	(1,350)	(1,325)	(1,299)
Share-based compensation expense (recovery)	8	(33)	(92)	(101)	121	(358)	(340)	(138)
(Recovery) impairments of assets held for sale, inventory, property and equipment, and property and equipment under development and related deposits	-	(25)	-	-	8,162	-	-	-
(Gain) loss on disposal of assets held for sale	(11)	-	-	-	13	-	22	-
Remeasurement of financial instruments	-	-	-	(80)	(1,088)	-	-	-
Provision for (recovery of) expected credit losses	177	5	(1)	(1)	(115)	140	2	4
Share of losses (earnings) from investments in associates	36	106	70	(179)	516	(235)	17,594	(2,227)
Income distributions received from Crown Partners Fund	-	-	-	3	4	-	157	-
Performance bonus (recovery) expense	-	-	-	-	-	-	(4,015)	482
Foreign exchange loss (gain) on intercompany balances	147	(242)	562	4	(606)	129	(103)	(190)
Adjusted EBITDA	7,846	3,928	1,312	1,683	401	933	1,886	1,101

Notes:

1. Adjustments exclude any amounts attributable to non-controlling interests

Reconciliations of income (loss) before income taxes to Adjusted EBITDAⁱ by operating segment

FOR THE TWELVE MONTHS ENDED DEC. 31, 2025 (THOUSANDS)	Reportable Segments						Total
	Distribution Services	Network Services	Specialty Finance	Distributed Power	Real Estate	Corporate and Other	
Income (loss) before income taxes	1,595	7,089	50	(885)	(1,741)	(6,857)	(749)
Adjustments for amounts attributable to shareholders in relation to: ¹							
Depreciation and amortization	5,926	4,434	-	487	532	308	11,687
Finance costs	1,215	170	-	-	1,786	6,187	9,358
Payments of lease obligations	(5,622)	(258)	-	-	-	-	(5,880)
Share-based compensation recovery	-	-	-	-	-	(218)	(218)
Recovery of impairment of property and equipment under development and related deposits	-	-	-	(25)	-	-	(25)
Gain on disposal of assets held for sale	-	-	-	(11)	-	-	(11)
Remeasurement of financial instruments	-	-	-	-	-	(80)	(80)
Provision for expected credit losses	-	-	-	180	-	-	180
Share of losses (earnings) from investments in associates	-	83	(50)	-	-	-	33
Income distributions received from Crown Partners Fund	-	-	3	-	-	-	3
Foreign exchange loss on intercompany balances	471	-	-	-	-	-	471
Adjusted EBITDA	3,585	11,518	3	(254)	577	(660)	14,769

Notes:

1. Adjustments exclude any amounts attributable to non-controlling interests

FOR THE TWELVE MONTHS ENDED DEC. 31, 2024 (THOUSANDS)	Reportable Segments						Total
	Distribution Services	Network Services	Specialty Finance	Distributed Power	Real Estate	Corporate and Other	
Income (loss) before income taxes attributable to Shareholders	1,601	(2,638)	(11,701)	(1,403)	(6,367)	(8,198)	(28,706)
Adjustments for amounts attributable to shareholders in relation to: ¹							
Depreciation and amortization	6,131	4,101	-	489	474	278	11,473
Finance costs	1,593	106	-	-	-	7,279	8,978
Payments of lease obligations	(5,114)	(241)	-	-	-	-	(5,355)
Share-based compensation recovery	-	-	-	-	-	(715)	(715)
Impairments of assets held for sale, inventory, property and equipment, and property and equipment under development and related deposits	-	205	-	956	7,001	-	8,162
Loss on disposal of assets held for sale	-	-	-	35	-	-	35
Remeasurement of financial instruments	(1,088)	-	-	-	-	-	(1,088)
Provision for expected credit losses	-	-	-	31	-	-	31
Share of losses from investments in associates	-	406	15,242	-	-	-	15,648
Income distributions received from Crown Partners Fund	-	-	161	-	-	-	161
Performance bonus recovery	-	-	(3,533)	-	-	-	(3,533)
Foreign exchange gain on intercompany balances	(770)	-	-	-	-	-	(770)
Adjusted EBITDA	2,353	1,939	169	108	1,108	(1,356)	4,321

Notes:

1. Adjustments exclude any amounts attributable to non-controlling interests

FOR THE THREE MONTHS ENDED DEC. 31, 2025 (THOUSANDS)	Reportable Segments						Total
	Distribution Services	Network Services	Specialty Finance	Distributed Power	Real Estate	Corporate and Other	
Income (loss) income before income taxes	453	5,703	(14)	(420)	(354)	(1,739)	3,629
Adjustments for amounts attributable to shareholders in relation to: ¹							
Depreciation and amortization	1,363	1,184	-	121	148	80	2,896
Finance costs	265	111	-	-	507	1,578	2,461

Payments of lease obligations	(1,432)	(65)	-	-	-	-	(1,497)
Share-based compensation expense	-	-	-	-	-	8	8
Gain on disposal of assets held for sale	-	-	-	(11)	-	-	(11)
Remeasurement of financial instruments	80	-	-	-	-	(80)	-
Provision for expected credit losses	-	-	-	177	-	-	177
Share of losses from investments in associates	-	22	14	-	-	-	36
Foreign exchange loss on intercompany balances	147	-	-	-	-	-	147
Adjusted EBITDA	876	6,955	-	(133)	301	(153)	7,846

Notes:

1. Adjustments exclude any amounts attributable to non-controlling interests

FOR THE THREE MONTHS ENDED DEC. 31, 2024 (THOUSANDS)	Reportable Segments						Total
	Distribution Services	Network Services	Specialty Finance	Distributed Power	Real Estate	Corporate and Other	
Income (loss) before income taxes	1,886	(1,689)	(111)	(881)	(7,174)	(2,914)	(10,883)
Adjustments for amounts attributable to shareholders in relation to: ¹							
Depreciation and amortization	1,554	1,258	-	119	118	76	3,125
Finance costs	335	22	-	-	-	2,176	2,533
Payments of lease obligations	(1,319)	(62)	-	-	-	-	(1,381)
Share-based compensation expense	-	-	-	-	-	121	121
Impairments of assets held for sale, inventory, property and equipment, and property and equipment under development and related deposits	-	205	-	956	7,001	-	8,162
Loss on disposal of assets held for sale	-	-	-	13	-	-	13
Remeasurement of financial instruments	(1,088)	-	-	-	-	-	(1,088)
Recovery of expected credit losses	-	-	-	(115)	-	-	(115)
Share of losses from investments in associates	-	406	110	-	-	-	516
Income distributions received from Crown Partners Fund	-	-	4	-	-	-	4
Foreign exchange gain on intercompany balances	(606)	-	-	-	-	-	(606)
Adjusted EBITDA	762	140	3	92	(55)	(541)	401

Notes:

1. Adjustments exclude any amounts attributable to non-controlling interests

ⁱ Adjusted EBITDA is not a measure of financial performance (nor does it have a standardized meaning) under IFRS. In evaluating this measure, investors should consider that the methodology applied in calculating these measures might differ among companies and analysts. The Corporation has provided a reconciliation of loss before income taxes attributable to Shareholders to Adjusted EBITDA in this news release. Amounts in respect of non-controlling interests are excluded in the calculation of Adjusted EBITDA. We believe that Adjusted EBITDA is a useful supplemental measure in the context of Crown's operations to assist investors in assessing the performance of our business as it provides a more relevant picture of operating results by facilitating a comparison of our performance on a consistent basis from period-to-period and provides a more complete understanding of factors and trends affecting our business. Adjusted EBITDA should not be considered as the sole measure of Crown's performance and should not be considered in isolation from, or as a substitute for, analysis of the Corporation's financial statements.

About Crown Capital Partners (TSX:CRWN)

Founded in 2000 within Crown Life Insurance Company, Crown Capital Partners is a capital partner to entrepreneurs and growth businesses mainly operating in the telecommunications infrastructure, distribution services, and distributed power markets. We focus on growth industries that require a specialized capital partner, and we aim to create long-term value by acting as both a direct investor in operating businesses serving these markets and as a manager of investment funds for institutional partners. For additional information, please visit crowncapital.ca.

FORWARD-LOOKING STATEMENTS

This news release contains certain "forward looking statements" and certain "forward looking information" as defined under applicable Canadian and U.S. securities laws. Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. Forward-looking statements in this news release include, but are not limited to, statements, management's beliefs, expectations or intentions regarding the distribution services market, the network services market and the general economy, Crown's business plans and

strategy, including anticipated investment dispositions and capital deployments and the timing thereof, anticipated refinancing activity and Crown's future earnings. Forward-looking statements are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements are subject to various risks and uncertainties concerning the specific factors identified in the Crown's periodic filings with Canadian securities regulators. See Crown's most recent annual information form for a detailed discussion of the risk factors affecting Crown. In addition, Crown's dividend policy will be reviewed from time to time in the context of the Corporation's earnings, financial requirements for its operations, and other relevant factors and the declaration of a dividend will always be at the discretion of the board of directors of the Corporation. Crown undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

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