Accord Announces Third Quarter Financial Results

TORONTO--(BUSINESS WIRE)--November 10, 2025--Accord Financial Corp. (“Accord” or the “Company”) (TSX – ACD) today released its financial results for the third quarter ended September 30, 2025. The financial figures presented in this release are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards.

SUMMARY OF FINANCIAL RESULTS	Three Months Ended September 30	
	2025	**2024**
	$	**$**
Average Funds Employed (millions)	**406**	**427**
Revenue (000s)	**15,766**	**21,213**
Net loss attributable to shareholders (000s)	**(2,421)**	**(772)**
Adjusted net loss (000s) (note)	**(1,914)**	**(1,329)**
Loss per common share (basic and diluted)	**(0.28)**	**(0.09)**
Adjusted loss per common share (basic and diluted)	**(0.22)**	**(0.16)**
Book value per share (Sept 30)	**$8.92**	**$9.69**

The Company’s President and CEO, Mr. Simon Hitzig, commented: “Throughout 2025 Accord’s growth and profitability have been hampered by the debt side of the balance sheet. While we’ve achieved modest portfolio growth, and controlled operating expenses, we’ve been unable to realize the Company’s profit potential.”

On August 15th Accord announced an amendment to its primary banking facility, extending the maturity to December 15, 2025, providing time for the Company to continue to actively pursue a broad range of initiatives, including potential divestitures of portfolio assets or business units as well as other financing alternatives, to repay or refinance its debt obligations (with debt amounts of $203 million due in December 2025 and $26 million due on January 31, 2026). “Through the period, the Company, working closely with its financial advisors, has continued to pursue its strategic initiatives to repay its outstanding debt and further simplify the business.” Added Mr. Hitzig.

Accord’s finance receivables and loans (“funds employed”) closed at $409 million on September 30, 2025, up 12.0% from $366 million at the start of the year. Despite modest portfolio growth over the first nine months of 2025, average funds employed year-to-date slipped to $394 million compared to $439 million in the same period of 2024. With average funds employed trending lower year-over-year and considering the one-time gain on sale of the AEF portfolio in September 2024, third quarter revenue declined to $15.8 million compared to $21.2 million in the same period of 2024.

To address the year-over-year decline in revenue, the Company has reduced overhead, with third quarter general and administrative expenses coming in at $7.0 million versus $7.9 million in the same period last year. Within third quarter G&A is $690,000 ($1.1 million year-to-date) of professional fees primarily related to managing, and planning to repay, the Company’s debt obligations. For the third quarter (and first nine months), the Company earned a modest preprovision pre-tax operating profit, however, professional fees and the $2.5 million provision for credit losses pushed the Company to a third quarter net loss attributable to shareholders of $2.4 million. The loss of 28 cents per common share caused book value per share to slip to $8.92.

Commenting further, Mr. Hitzig noted, "Successful execution of strategic initiatives to streamline the business, refinance outstanding debt, and strengthen the balance sheet is the Company's top priority over the balance of 2025 and early 2026."

About Accord Financial Corp.

Accord Financial is one of North America's most dynamic commercial finance companies providing fast, versatile financing solutions including asset-based lending, factoring, inventory finance, equipment finance (in Canada), trade finance and film/media finance. By leveraging our unique combination of deep experience and independent thinking, we craft winning financial solutions for small and medium-sized businesses, simply delivered, so our clients can thrive.

Note: Non-IFRS measures

The Company's financial statements have been prepared in accordance with IFRS. The Company uses a number of other financial measures to monitor its performance and believes that these measures may be useful to investors in evaluating the Company's operating performance and financial position. These measures may not have standardized meanings or computations as prescribed by IFRS that would ensure consistency between companies using these measures and are, therefore, considered to be non-IFRS measures. The non-IFRS measures presented in this press release are as follows:

1) Adjusted net earnings and adjusted EPS. The Company derives these measures from amounts presented in its IFRS prepared financial statements. Adjusted net earnings comprise shareholders' net earnings before stock-based compensation, gain in sale of portfolio assets (AEF) and restructuring expenses (including professional fees related to managing and planning for repayment of debt obligations). Adjusted EPS (basic and diluted) is adjusted net earnings divided by the weighted average number of common shares outstanding (basic and diluted) in the period. Management believes adjusted net earnings is a more appropriate measure of operating performance as it excludes items which do not relate to ongoing operating activities. The following table provides a reconciliation of the Company's net earnings to adjusted net earnings:

	Three Months Ended Sept 30	
	2025	**2024**
	$'000	$'000
Shareholders' net loss	(2,421)	(772)
Adjustments, net of tax:		
Gain on AEF portfolio sale		(785)
Restructuring and other expenses	507	229
Adjusted net loss	(1,914)	(1,329)

2) Book value per share – book value is shareholders' equity and is the same as the net asset value (calculated as total assets minus total liabilities) of the Company less non-controlling interests. Book value per share is the book value or shareholders' equity divided by the number of common shares outstanding as of a particular date.

3) Funds employed are the Company's finance receivables and loans, an IFRS measure. Average funds employed are the average finance receivables and loans calculated over a particular period.

Forward-Looking Statements

This news release contains certain "forward-looking statements" and certain "forward-looking information" as defined under applicable Canadian 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 financial position of the Company and the ability of the Company to repay or refinance its outstanding debt obligations. 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 including the Company's overall liquidity and capital resource position and its ability to repay its debt obligations when due and those risks identified in the Accord's periodic filings with Canadian securities regulators. If any or all of the Company's outstanding debt obligations are not renewed or replaced upon expiration of their terms, and if the Company is unsuccessful in its ability to generate additional capital from sales of portfolio assets and/or business units and additional alternative financing arrangements to repay same on terms acceptable to the Company, or at all, the Company may not be able to continue to finance its operations and operate as a going concern. See Accord's most recent annual information form and most recent management's discussion and analysis of results of operations and financial condition for a detailed discussion of the risk factors affecting Accord. 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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