Saltire Capital Ltd. Reports Q3 2025 Financial Results

TORONTO, Nov. 17, 2025 /CNW/ - Saltire Capital Ltd. (TSX: SLT) (TSX: SLT.U) (TSX: SLT.WT.U) (TSX: SLT.WT) ("**Saltire**" or the "**Company**") today reported its unaudited condensed consolidated interim financial statements ("**Financial Statements**") for the three and nine-month periods ended September 30, 2025. The Company's Financial Statements and Management's Discussion and Analysis ("**MD&A**") have been filed on the System for Electronic Document Analysis and Retrieval Plus ("**SEDAR+**") and may be viewed under the Company's profile at www.sedarplus.ca. All references to "$" herein are to United States Dollars.

Q3 2025 Highlights

Saltire delivered strong year-over-year growth in Q3 2025 as the Company continued executing on its strategy to build a diversified portfolio of resilient, cash-generating operating businesses.

For the nine months ended September 30, 2025, the Company reported revenue of $28.8 million, an increase of 144% compared to $11.8 million in the same period in 2024. Growth was driven primarily by the addition of SanStone Investments Ltd. ("**SanStone**"), together with continued strength in Strong/MDI Screen Systems Inc.'s ("**MDI**") cinema-related sales, which increased 16.4% year-over-year. Demand from major customers including IMAX®, Regal Cinemas and AMC remained robust, supported by an industry-wide shift toward premium auditoriums and laser projection upgrades.

Gross profit increased to $9.5 million, up 91% year-over-year, with gross margins of 32.9% (2024: 42%). As expected, margins reflect the consolidation of SanStone's high-volume, lower-margin dealership operations beginning in Q3. MDI maintained healthy margins supported by favourable product mix, particularly higher Eclipse and IMAX-compatible screen sales. Management expects consolidated margins to stabilize as SanStone's mix normalizes and integration initiatives advance.

Operating income was $1.0 million, compared to $2.4 million in the prior year period, reflecting the addition of SanStone's operating structure and higher public company, audit and regulatory costs following the reverse takeover with MDI completed in late 2024 (the "**RTO Transaction**"). Integration efforts are progressing as planned, with early alignment across finance, reporting and commercial functions.

The Company reported a net loss of $3.2 million, a significant improvement compared to the $42.9 million net loss in the prior-year period. The improvement is driven primarily by the one-time $44.6 million listing expense recorded in 2024 as part of the RTO Transaction. Current-period results also include non-cash fair value movements relating to warrant liabilities, interest and foreign exchange swaps, the Company's investment in Sound Tech Connect Corp., and the put option granted to the minority shareholders of SanStone.

Adjusted EBITDA for the period was $1.6 million, compared to $2.8 million in the prior year. The decline reflects the non-recurrence of the prior year's large listing-expense adjustment. Excluding non-cash adjustments, Adjusted EBITDA reflects continued underlying strength across both MDI and the newly added SanStone operations. SanStone contributed positively in its first two months under Saltire ownership, supported by steady demand across equipment, parts and service. Additionally, this performance delivered strong Normalized Operating Income for the period of $3.4 million, compared to $2.8 million in the prior year.

Saltire ended the quarter with $4.1 million in cash, supported by disciplined working-capital management and the financing structure implemented in connection with the SanStone acquisition.

During the quarter, the Company drew US$50.1 million under its US$100 million senior secured credit facility with Sagard Credit Partners II ("**Sagard**"). Remaining availability under the facility will support future acquisitions and strategic growth initiatives.

"Q3 marked a pivotal step forward for Saltire," said Andrew Clark, CEO of Saltire. "With SanStone now a part of the platform and MDI continuing to execute, we are building a foundation of steady, diversified growth. The strength across both businesses gives us confidence as we continue to scale with discipline and a long-term ownership mindset."

MDI's project pipeline remained active through Q3 across cinema, immersive and simulation markets. The Company continues to benefit from long-standing partnerships with major exhibitors and holds exclusive supply agreements with several of the largest cinema chains in North America. Beyond cinema, MDI's Eclipse immersive screens and haptic flooring technologies continue to gain traction in theme park, experiential and simulation environments.

The successful closing of SanStone marks Saltire's second platform investment and represents a meaningful step in advancing its long-term strategy to build a growing portfolio of high-quality private businesses. SanStone operates two established dealership brands—Wilson Equipment and Tidal Tractor—that hold exclusive OEM relationships within Atlantic Canada and serve diversified customer bases across agriculture, construction, forestry and industrial markets.

Note: As disclosed in the MD&A, Saltire's results reflect the reverse takeover accounting treatment under IFRS, with MDI as the accounting acquirer and Saltire as the acquiree. Comparative figures prior to September 25, 2024, reflect MDI standalone operations. "EBITDA", "Adjusted EBITDA" and Normalized Operating Income are non-IFRS measures. See "Non-IFRS Measures" below.

*IMAX® is a registered trademark of IMAX Corporation.

Non-IFRS Measures

EBITDA, Adjusted EBITDA and Normalized Operating Income are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement the IFRS measures disclosed in the Financial Statements by providing further understanding of Saltire's results of operations from management's perspective. Accordingly, these measures should neither be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

EBITDA, Adjusted EBITDA and Normalized Operating Income are used to provide shareholders with supplemental measures of the Company's operating performance and thus highlight trends in the Company's business that may not otherwise be apparent when relying solely on IFRS measures.

Securities regulations require non-IFRS measures to be clearly defined and reconciled with their most directly comparable IFRS measure. Management believes that EBITDA, Adjusted EBITDA and Normalized Operating Income are useful measures to assess the performance of the Company as they provide more meaningful operating results by excluding the effects of items that are not reflective of underlying business performance and other one-time or non-recurring items.

The following table provides the reconciliation of net income to EBITDA, Adjusted EBITDA and Normalized Operating Income for the 9-month periods ended September 30, 2025 and 2024:

For 9-months ended	**September 30, 2025**	September 30, 2024
	$	$
Net loss	**(3,152,239)**	(42,902,982)
Interest expense	**1,918,415**	210,977
Income tax expense	**1,148,775**	523,468
Depreciation and amortization	**692,445**	381,043

EBITDA	**607,396**	(41,787,494)
Stock-based compensation	**45,177**	37,263
Warrant-based compensation	**64,695**	-
Listing Expense	**-**	44,579,891
Fair valuation of SAFE	**99,521**	-
Fair valuation of NCI put option	**(48,117)**	-
Fair valuation of Interest & FX swaps	**26,063**	-
Fair valuation of Warrant liabilities	**816,420**	-
Adjusted EBITDA	**1,611,155**	2,829,660
Non-recurring transaction costs included in S,G &A	**1,812,664**	-
Normalized operating income	**3,423,819**	2,829,660

About Saltire

Saltire is a long-term capital partner that allocates capital to equity, debt and/or hybrid securities of high-quality private companies. Investments made by Saltire consist of meaningful and influential stakes in carefully selected private companies that it believes are under-valued businesses with the potential to significantly improve fundamental value over the long-term. These businesses will generally have high barriers to entry, predictable revenue streams and cash flows and defensive characteristics. Although Saltire primarily allocates capital to private companies, Saltire may, in certain circumstances if the opportunity arises, also pursue opportunities with orphaned or value-challenged small and micro-cap public companies. Saltire provides investors with access to private and control-level investments typically reserved for larger players, while maintaining liquidity.

Forward Looking Information

This press release may contain forward-looking information and forward-looking statements within the meaning of applicable securities laws ("**Forward-Looking Statements**"). The Forward-Looking Statements contained in this press release relate to future events or Saltire's future plans, operations, strategy, performance or financial position and are based on Saltire's current expectations, estimates, projections, beliefs and assumptions, including, among other things, in respect of MDI's performance and project pipeline, Saltire's ability to satisfy the conditions to funding additional draws under the Company's loan agreement with Sagard (the "**Loan Agreement**"), the future performance of SanStone, Saltire's ability to maintain compliance with covenants under the Loan Agreement, and management's ability to execute on Saltire's growth plans. Such Forward-Looking Statements have been made by Saltire in light of the information available to it at the time the statements were made and reflect its experience and perception of historical trends. All statements and information other than historical fact may be Forward-Looking Statements. Such Forward-Looking Statements are often, but not always, identified by the use of words such as "may", "would", "should", "could", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", "continue", "expect", "potential", "proposed" and other similar words and expressions.

Forward-Looking Statements are based on certain expectations and assumptions and are subject to known and unknown risks and uncertainties and other factors, many of which are beyond Saltire's control, that could cause actual events, results, performance and achievements to differ materially from those anticipated in these Forward-Looking Statements. Forward-Looking Statements are provided for the purpose of assisting the reader in understanding Saltire and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments, and the reader is therefore cautioned that such information may not be appropriate for other purposes. Forward-Looking Statements should not be read as guarantees of future performance or results. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which speak only as of the date of this press release. Unless otherwise noted or the context otherwise indicates, the Forward-Looking Statements contained herein are provided as of the date hereof, and Saltire disclaims any intention or obligation, except to the extent required by law, to update or revise any Forward-Looking Statements as a result of new information or future events, or for any other reason.

This press release should be read in conjunction with the management's discussion and analysis and Financial Statements and notes thereto as at and for the three and nine months ended September 30, 2025 and Saltire's Annual Information Form for the year ended December 31, 2024 dated March 28, 2025.

Additional information about Saltire, including with respect to the risk factors that should be taken into consideration when reading this press release and the Forward-Looking Statements, is available on Saltire's profile on SEDAR+ at www.sedarplus.ca.

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For further information: FOR FURTHER INFORMATION PLEASE CONTACT: Andrew Clark, Director & Chief Executive Officer, Saltire Capital Ltd., aclark@saltirecapitalltd.com, (416) 419-9405

CO: Saltire Capital Ltd.

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