

Crown Capital Partners Announces 2015 Financial Results

CALGARY, March 23, 2016 – Crown Capital Partners Inc. (“**Crown**” or the “**Corporation**”) (TSX: CRN), which provides growth capital to successful mid-market companies, today announced its 2015 fourth quarter and year-end financial results. Crown’s complete financial statements and management’s discussion and analysis for the three and 12-month periods ended December 31, 2015 and its 2015 annual information form (the “**AIF**”) are available on SEDAR at www.sedar.com.

2015 Operating Highlights

- Completed an initial public offering of its common shares for gross proceeds of \$65.0 million (the “**IPO**”).
- Completed the initial closing of Crown Capital Fund IV, LP (“**CCF IV LP**”), a special situations financing debt fund, with initial capital commitments of \$100 million. CCF IV LP has a maximum size of \$300 million.
- Deployed \$60 million through three transactions:
 - \$15 million subordinated loan to Petrowest Corporation (TSX:PRW);
 - \$20 million subordinated loan to Distinct Infrastructure Inc. (TSX Venture:DUG); and
 - \$25 million loan to PenEquity Realty Corporation, representing Crown’s first long-term loan, through a new wholly-owned limited partnership, Crown Capital Private Credit, LP (“**CCPC LP**”).
- Added significant depth and strength to the Crown team with the additions of Tim Oldfield as Senior Vice President and Chief Investment Officer, Brian Mellum as Senior Vice President, Energy, David Turnbull as Senior Vice President, Business Development and Gordon Fernandes as Vice President, Business Development.
- Subsequent to year end, in January 2016, Crown declared and paid its first quarterly dividend of \$0.11 per common share.

Q4 2015 Financial Highlights

- Revenue of \$5.8 million, including fees and other income of \$1.5 million, interest revenue of \$1.3 million and net change in unrealized gains in fair value of investments of \$3.0 million.
- Adjusted EBIT¹ of \$2.7 million.
- Total comprehensive income, net of non-controlling interest, of \$1.7 million, or \$0.18 per common share (basic).
- Total equity per common share (basic) of \$10.46 at December 31, 2015.
- Total assets of \$130.1 million at December 31, 2015.
- Cash and cash equivalents of \$43.6 million at December 31, 2015.

¹ Adjusted EBIT 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 this measure may differ among companies and analysts. Adjusted EBIT is calculated by Crown as earnings before finance costs and income taxes less net income and comprehensive income attributable to non-controlling interests. The Corporation has provided a reconciliation of earnings before income taxes to Adjusted EBIT in this news release. The Corporation believes Adjusted EBIT is a useful supplemental measure that may assist investors in assessing the financial performance and the cash anticipated to be generated by Crown’s business. Adjusted EBIT 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.

“Over the past 15 years, Crown has completed 34 loans and deployed more than \$414 million in capital, making us one of the leading alternative lenders in Canada,” said Chris Johnson, President and CEO of Crown. “In 2015, we completed our IPO and began a new chapter for Crown in the public markets. Since that time we’ve delivered on the key objectives we outlined, completing the closing of our new special situations fund, announcing three financings, including our first long-term loan, and initiating a quarterly dividend. We’re pleased with the progress to date and how the business is positioned for growth in 2016.”

Mr. Johnson added: “The current market conditions are among the most favorable we’ve witnessed, with limited competition in our target market: successful mid-market companies. Combined with the impact of our additional origination capability, our transaction pipeline is strong and growing. We expect 2016 to be a strong year for Crown in terms of capital deployed. We’re particularly encouraged by the interest in our long-term solutions. Building this portfolio of on-balance-sheet loans we expect a stable, high-yielding, high-value cash flow stream. As we see the full-year impact of the 2015 loans and put new capital to work, we expect the inherent operating leverage in our business to generate growing earnings and cash flow for shareholders.”

Q4 & FY2015 Financial Results Summary

Crown’s financial position at December 31, 2015 and its financial results for the year ended December 31, 2015 are not comparable to the prior year due to the IPO, the acquisition of a 69.75% interest in Norrep Credit Opportunities Fund II, LP and the establishment of CCF IV LP and CCPC LP. Crown’s complete financial statements and management’s discussion and analysis for the three and 12-month periods ended December 31, 2015, and the AIF are available on SEDAR at www.sedar.com.

Selected Annual and Quarterly Information	Year Ended December 31 2015	Three Months Ended December 31 2015
Revenue:		
Fees and other income	\$ 2,808,673	\$ 1,537,012
Interest revenue	2,511,715	1,254,920
Net realized gain on sale of investments	71,386	-
Net change in unrealized gains in fair value of investments	2,817,311	2,965,374
Revenue	\$ 8,209,085	\$ 5,757,306
Total comprehensive income (loss), net of non-controlling interests	\$ 2,034,313	\$ 1,681,296
Weighted average shares outstanding - basic ¹	4,715,114	9,488,094
Total comprehensive income(loss) per share - basic ¹	\$ 0.43	\$ 0.18
Weighted average shares outstanding - diluted ¹	4,833,785	9,735,608
Total comprehensive income(loss) per share - diluted ¹	\$ 0.42	\$ 0.17
Adjusted EBIT ²	\$ 3,262,448	\$ 2,703,249
Investments, at fair value through profit or loss	\$ 84,367,280	\$ 84,367,280
Total Assets	\$130,090,183	\$ 130,090,183
Total non-current financial liabilities	\$ 26,565,645	\$ 26,565,645
Total Equity	\$ 99,260,977	\$ 99,260,977
Shares outstanding at December 31	9,488,094	9,488,094
Total equity per share at December 31 (basic)	\$ 10.46	\$ 10.46
<p>1. Total comprehensive income(loss) per/share, basic and diluted, are based on the weighted average shares outstanding and reflect the 3,030:1 share split which occurred on June 30, 2015.</p> <p>2. Adjusted EBIT 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 this measure may differ among companies and analysts. Adjusted EBIT is calculated by Crown as earnings before finance costs and income taxes less net income and comprehensive income attributable to non-controlling interests. The Corporation has provided a reconciliation of earnings before income taxes to Adjusted EBIT in this news release.</p>		

Reconciliation of Earnings before Income Taxes to Adjusted EBIT	Year Ended December 31 2015	Three Months Ended December 31 2015
Earnings before income taxes	\$5,074,162	\$ 4,153,699
add: financing costs	-	-
deduct: net income and comprehensive income attributable to non-controlling interests	(1,811,714)	(1,450,450)
Adjusted EBIT	\$ 3,262,448	\$ 2,703,249

Conference Call & Webcast

Crown will host a conference call to discuss its 2015 financial results at 8:30 a.m. EDT on March 23, 2016. The call will be hosted by Chris Johnson, President & CEO, and Lyle Bolen, CFO. To participate in the call, dial 647-427-7450 or 1-888-231-8191 using the conference ID 65298422. The webcast can be accessed at <http://bit.ly/1L6DzUH>. Listeners should access the webcast or call 10-15 minutes before the start time to ensure they are connected.

ABOUT CROWN

Crown (TSX: CRN) is a specialty finance company focused on providing capital to successful Canadian and select U.S. companies that are unwilling or unable to obtain suitable financing from traditional capital providers such as banks and private equity funds. Crown also manages capital pools, including some in which Crown has a direct ownership interest. Crown originates, structures and provides tailored special situation and long-term financing solutions to a diversified group of private and public mid-market companies in the form of loans, royalties and other structures with minimal or no ownership dilution.

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 alternative financial market and the general economy, transaction pipeline, Crown’s business plans and strategy, including anticipated capital deployments, and Crown’s future cash flow and shareholder value. 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 the AIF 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.

For further information, please contact:

Christopher A. Johnson, CFA
President & CEO
chris.johnson@crowncapital.ca
(416) 640-6715

Craig Armitage
Investor Relations
craig.armitage@crowncapital.ca
(416) 347-8954

Additional information relating to Crown is available on SEDAR at www.sedar.com