



Crown Capital Partners Announces Financial Results for Q1 2017

Crown also announces appointment of Michael Overvelde as Chief Financial Officer

CALGARY, May 9, 2017 – Crown Capital Partners Inc. (“**Crown**” or the “**Corporation**”) (TSX: CRWN), which provides growth capital to successful mid-market companies, today announced its financial results for the first quarter ended March 31, 2017. Crown’s complete financial statements and management’s discussion and analysis for the three-month period ended March 31, 2017 are available on SEDAR at www.sedar.com.

Q1 2017 Financial & Operating Highlights

- Revenue increased to \$6.8 million (2016 - \$5.1 million), including interest revenue of \$4.4 million, fees and other income of \$0.5 million, and net change in unrealized gains in fair value of investments of \$1.8 million;
- Net income, net of non-controlling interests, of \$1.7 million (2016 - \$1.6 million), or \$0.18 per common share (basic) (2016 - \$0.17);
- Adjusted EBIT¹ of \$3.0 million (2016 - \$2.7 million);
- Total equity per common share (basic) of \$10.75 at March 31, 2017;
- Total assets of \$199.0 million at March 31, 2017, up from \$182.4 million at December 31, 2016;
- Cash and cash equivalents of \$22.2 million, compared with \$19.3 million at December 31, 2016;
- On March 2, 2017, paid a quarterly dividend of \$0.12 per common share to shareholders of record on February 14, 2017, a 9% increase over quarterly dividends paid previously;
- Crown Capital Fund IV, LP (“CCF IV LP”) received subscriptions for an additional \$50.0 million, bringing the total capital committed in CCF IV LP to \$175.0 million;
- CCF IV LP provided a \$15.0 million, 36-month loan to Solo Liquor Holdings Limited; and
- The NCOF Funds received full repayment of the \$4.0 million loan to Corrosion Service Company Limited, realizing a Gross IRR of approximately 25%.

“Our first quarter results were highlighted by a strong increase in total revenue, driven by interest revenue which almost doubled over the first quarter of last year,” said Chris Johnson, President and CEO of Crown. “This underscores our success in building and diversifying the loan portfolio over the past several quarters, and gave us the ability to implement our first dividend increase in the quarter. The market conditions continue to be favorable for Crown. With the \$50 million upsizing in CCF IV LP, cash on hand, and our credit facility, we are in a good position to capitalize on an active business development pipeline to deliver growing revenue, cash flow and return on equity in 2017.”

Q1 2017 Financial Results Summary

Selected Quarterly Information (\$ in 000s, except per share and number of shares)	Three Months Ended March 31,	
	2017	2016
Revenue:		
Fees and other income	\$ 526	\$ 555
Interest revenue	4,385	2,386
Net realized gain on sale of investments	553	1,741
Net change in unrealized gains in fair value of investments	1,292	410
Total Revenue	\$ 6,756	\$ 5,092
Total comprehensive income, net of non-controlling interests	\$ 1,744	\$ 1,639
Weighted average shares outstanding - basic	9,521,354	9,493,353
Total comprehensive income per share - basic	\$ 0.18	\$ 0.17
Weighted average shares outstanding - diluted	9,839,188	9,745,986
Total comprehensive income per share - diluted	\$ 0.18	\$ 0.17
Adjusted EBIT ¹	\$ 2,990	\$ 2,744
Investments, at fair value through profit or loss	\$ 172,180	\$ 82,812
Total assets	\$ 198,964	\$ 131,819
Total non-current liabilities	\$ 92,135	\$ 26,201
Total equity	\$ 102,412	\$ 100,230
Common Shares outstanding at March 31	9,523,590	9,494,002
Total equity per share - basic	\$ 10.75	\$ 10.56

Reconciliation of Earnings before Income Taxes to Adjusted EBIT (\$ in 000s)	Three Months Ended March 31,	
	2017	2016
Earnings before income taxes	\$ 5,051	\$ 3,385
Add: financing costs	147	-
Add: non-cash share-based compensation	342	375
Deduct: net income attributable to non-controlling interests	(2,550)	(1,016)
Adjusted EBIT	\$ 2,990	\$ 2,744

- 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 non-cash share-based compensation, 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.

CFO Appointment

Crown also announced the appointment of Michael Overvelde, CPA, CA, CFA to the position of Senior Vice President, Finance and Chief Financial Officer effective May 10, 2017. Mr. Overvelde, who has more than 25 years of experience in capital markets and accounting, joined the Crown team in March, 2017. Lyle Bolen will remain with the Corporation in a consulting capacity to ensure a smooth transition of responsibilities.

Mr. Johnson said: “Lyle has been a tremendous colleague and contributor since the early days of Crown and was instrumental in our transition to a public company. On behalf of the entire Crown team and Board, we wish Lyle all the best in his retirement. We look forward to Michael taking on an expanded role, leading the financial function and helping us expand and manage our relationships in the capital markets.”

Conference Call & Webcast

Crown will host a conference call to discuss its Q1 2017 financial results at 2:00 p.m. EDT on May 9, 2017. 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 13498625. The audio webcast can be accessed at www.crowncapital.ca under Investor Relations or at <http://bit.ly/2ptmkXW>. Listeners should access the webcast or call 10-15 minutes before the start time to ensure they are connected.

ABOUT CROWN

Crown (TSX: CRWN) 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 the timing thereof, 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 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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Additional information relating to Crown is available on SEDAR at www.sedar.com