

LICT Corporation

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For Immediate Release:

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LICT CORPORATION REPORTS THIRD QUARTER 2025 RESULTS

- Non-regulated revenue climbed 12% to \$21.2 million, from \$18.9 million in the prior-year quarter, with overall revenues rising to \$36.1 million from \$33.7 million in the third quarter of 2024.
- EBITDA increased 11%, to \$15.2 million from \$13.7 million in the third quarter of 2024.
- Third Quarter earnings per share (EPS) totaled \$233 per share, versus \$228 per share in the third quarter of 2024.
- Fourth Quarter 2025 EPS are expected to be approximately \$240, compared with adjusted EPS of \$131 in the fourth quarter of 2024.
- Net Debt is 1.2x trailing 12-month EBITDA.
- The Company continues to benefit from accelerated depreciation provisions under federal tax law that went into effect in July 2025.
- Approved Designated Charitable Contributions to Registered Shareholders.

Rye, NY – December 9, 2025 – LICT Corporation (“LICT” or the “Company”; OTC Pink®: LICT), an integrated provider of broadband and voice services, today announces its financial results for the quarter ended September 30, 2025.

Shareholder Designated Charitable Contribution Program (Update)

As previously announced in our November 19, 2025, press release, LICT’s Board of Directors approved the Shareholder Designated Charitable Contribution Program with a contribution of \$100 per share for registered shareholders. Shareholders will have until December 15, 2025, to register shares in their own name to participate in the program. Since the program’s inception in 2016, LICT has contributed over \$10 million to shareholder-designated charities.

Results from Operations

Third Quarter 2025

Revenues

Total revenues were \$36.1 million in the third quarter of 2025 compared with \$33.7 million in the third quarter of 2024.

Non-regulated revenues rose to \$21.2 million, compared with \$18.9 million in the third quarter of 2024.

Regulated revenues were \$14.9 million in the third quarter of 2025, versus \$14.8 million in the third quarter of 2024. Third quarter of 2025 results also include regulated revenues from Manti Telephone Company (MTC), which was acquired on January 1, 2025; MTC contributed \$0.9 million in regulated revenue this quarter.

EBITDA

EBITDA for the third quarter of 2025 increased \$1.5 million, or 11%, to \$15.2 million, compared to \$13.7 million for the same period in 2024. The improvement was driven by higher revenues within our non-regulated operations, partially offset by higher operating expenses. We expect EBITDA margins to benefit as more projects move from planning to execution.

Non-regulated EBITDA for the third quarter of 2025 increased \$2.7 million, or 40%, to \$9.4 million, compared with \$6.7 million in the third quarter of 2024, reflecting \$1.7 million of construction revenue recognized on a fiber-build project at one of our subsidiaries for a middle mile provider. Regulated EBITDA for the third quarter of 2025 was \$5.9 million, compared to \$7.0 million in the same period of 2024, reflecting a decrease of \$1.1 million, or 15.7%. The decline was primarily driven by lower regulated revenues due to mandated pricing adjustments and higher operating expenses.

Net Income and Earnings per Share

Net income for the third quarter of 2025 was \$3.6 million, or \$233 per share, compared to \$3.8 million, or \$228 per share, for the same period in 2024. The \$0.2 million, or 5.3%, year-over-year decrease in net income was primarily driven by higher depreciation expense, as well as higher operating and non-operating expenses. Total costs and expenses increased by \$2.8 million, largely due to a \$0.8 million rise in cost of revenue, which reflected expanded staffing, increased use of professional services, and higher repair and maintenance activity, particularly in the Company's New Mexico and Utah operations.

Nine months ended September 30, 2025

Revenues

Total revenues were \$105.1 million for the nine months ended September 30, 2025, an increase of 4.2%, compared with \$100.9 million for the nine months ended September 30, 2024.

Non-regulated revenues were \$59.7 million for the nine months ended September 30, 2025 compared with \$56.1 million for the nine months ended September 30, 2024, an increase of \$3.6 million, or 6.4%, driven primarily by the revenue recognized on the fiber-build project at one of our subsidiaries.

Regulated revenues were \$45.4 million for the nine months ended September 30, 2025, compared with \$44.7 million for the nine months ended September 30, 2024, an increase of \$0.7 million, or 2%. First nine months 2025 results also include regulated revenues of \$2.6 million from MTC, which was acquired on January 1, 2025. This was offset by reductions in voice service revenues consistent with broader industry trends. Additionally, interstate access revenues declined traceable to lower cost broadband services.

EBITDA

EBITDA for the nine months ended September 30, 2025, was \$42.5 million, unchanged from the prior-year period, as revenue growth was offset by higher operating costs—particularly personnel-related and professional services expenses tied to operational expansion.

Non-regulated EBITDA for the first nine months of 2025 was \$23.8 million, compared to \$21.0 million in the first nine months of 2024. Regulated EBITDA for the first nine months of 2025 was \$18.7 million, compared to \$21.5 million in the same period of 2024, reflecting a decrease of \$2.8 million, or 13.0%. The decline was primarily driven by increased operating costs, including higher expenses for expanded staffing and professional services related to our operational expansion, as well as elevated repair and maintenance activity in the Company's New Mexico and Utah operations.

The following table is a reconciliation of EBITDA (from operations):

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating profit from operations	\$ 6,734	\$ 7,066	\$ 17,930	\$ 21,693
Adjustments:				
Corporate expenses	1,487	1,040	4,339	3,478
Depreciation and amortization	6,993	5,562	20,238	17,369
Total adjustments	8,480	6,602	24,577	20,847
EBITDA (from operations)	\$ 15,214	\$ 13,668	\$ 42,507	\$ 42,540

Net Income and Earnings per Share

Net income for the nine months ended September 30, 2025 was \$10.9 million, or \$687 per share, compared to \$13.6 million, or \$813 per share, for the same period in 2024. The \$2.7 million, or 19.9%, decrease in net income was primarily driven by a \$7.9 million increase in total costs and expenses. This increase was largely due to a \$3.0 million rise in cost of revenue—reflecting expanded staffing, professional services, and increased repair and maintenance activity in the Company's New Mexico and Utah operations—as well as a \$2.9 million increase in depreciation and amortization expense associated with recent infrastructure investments. These higher operating and non-cash expenses were partially offset by a \$4.2 million increase in revenue, driven by continued growth in broadband services in Utah and Kansas and by fiber-build construction revenue at one of our subsidiaries.

2025 Outlook –Estimated revenue for fiscal year 2025 is expected to be approximately \$142 million, with EBITDA from operations of \$58 million. Capital expenditures, net of grant receipts, for the year are anticipated to total \$55 million. Fourth-quarter 2025 earnings per share (EPS) are expected to be approximately \$240, compared with adjusted EPS of \$131 in the fourth quarter of 2024. Full-year 2025 EPS is estimated to be approximately \$930, versus adjusted EPS of \$941 for full-year 2024.

Government Programs & Funding Update: Rural Broadband Expansion Accelerates

LICT continues to benefit from federal and state regulatory support for rural broadband deployment. The U.S. Supreme Court decision in June 2025 reaffirmed the constitutionality of the Universal Service Fund (“USF”). Preliminary announcements of the Broadband Equity, Access, and Deployment (“BEAD”) program awards, combined with ReConnect grant awards are creating new opportunities for LICT to expand high-quality, cost-effective service across our footprint.

Federal Tax Reform - The Company continues to benefit from accelerated depreciation provisions under federal tax law. Under prior law, bonus depreciation was scheduled to phase down from 100% in 2023 to 80% in 2024 and 60% in 2025, which was expected to increase future cash tax obligations. In July 2025, federal tax reform legislation reinstated 100% bonus depreciation for qualified property placed in service after January 19, 2025. This change is expected to reduce near-term cash tax payments and improve after-tax returns on capital expenditures, particularly broadband infrastructure investments through 2028. Management is continuing to evaluate the full impact of the new law; however, based on preliminary assessments, the Company currently estimates that these provisions will result in approximately \$25 million of cumulative cash tax savings through 2028.

Universal Service Fund

Enhanced Alternative Connect America Cost Model ("E-ACAM") Program

LICT elected to participate in the FCC E-ACAM program effective January 1, 2024, which accelerates broadband deployment and improves speeds in rural portions of the United States and provides LICT \$37.2 million annually through 2038, subject to a one-time FCC true-up by December 31, 2025.

E-ACAM directly supports our long-term capital plans and commitment to deliver at least 100/20 Mbps service in our RLEC territory. The plan calls for completion of 50% of E-ACAM locations to be built out by December 31, 2026, 75% by December 31, 2027 and 100% by December 31, 2028.

A reactivated Congressional bipartisan USF Working Group is also driving efforts to modernize the contribution system and broaden the USF funding base—efforts we support through our active participation in USTelecom and WTA - Advocates for Rural Broadband (formerly known as Western Telecommunications Alliance).

Government Grants and Capital Expenditures

Broadband Equity, Access, and Deployment ("BEAD") Program

LICT was preliminarily awarded BEAD “Benefit of the Bargain” round grants in Kansas, Utah and Iowa, subject to final approvals by the National Telecommunications and

Information Administration ("NTIA"). These grant awards would provide funding for high-speed service via both fiber and fixed wireless.

Reconnect III and Reconnect IV

As previously announced, LICT was awarded \$157.5 million for seven United States Department of Agriculture ("USDA") ReConnect III and ReConnect IV grants in Kansas, California and New Mexico with a total project cost of \$171.2 million, of which LICT's share costs approximately \$13.7 million. These Fiber-to-the-Home ("FTTH") ReConnect grants will facilitate one Gig of broadband speed. Environmental clearance has been authorized on all seven grant projects. These FTTH projects are in various stages of construction with customers being actively connected in our Kansas and New Mexico operations.

The combination of ReConnect and BEAD grants combined with the EACAM USF platform enhances LICT's ability to expand affordable, high-speed broadband to our customers and the communities we serve.

Strategic Initiatives

The Company continues to implement strategic measures aimed at lowering the cost structure of its capital investment programs. By leveraging fixed wireless solutions and alternative access technologies, the Company is focused on achieving more capital-efficient network deployments while maintaining service quality and coverage targets.

FIXED WIRELESS/5G — Under the leadership of Dylan Larmore, Sound Broadband LLC, the wireless subsidiary of LICT Corporation, is expanding its fixed wireless footprint through strategic deployments and spectrum optimization. The company has completed multiple successful fixed wireless deployments across existing markets and is expanding into new regions, including New Mexico, California, Kansas, and Utah. These projects are still evolving and developing.

By strengthening and strategically managing LICT's spectrum holdings, Sound Broadband is creating long-term value for LICT while driving down deployment costs and maximizing performance across its networks. The company remains firmly committed to bridging the digital divide and delivering next-generation connectivity across underserved communities and diverse industry sectors—both within its current operations and beyond its historical territories.

Operating Statistics / Broadband Deployment

LICT owns and operates 7,604 miles of fiber optic cable (up 736 miles, or 11%, from 6,868 at December 31, 2024), 8,940 miles of copper cable, 847 miles of coaxial cable, 103 towers and 301 spectrum licenses (1,216 million MHZPoP).

The table below provides a comparative summary of the Company's subscriber and line metrics as of September 30, 2025, versus December 31, 2024.

	September 30, 2025	December 31, 2024	Increase (Decrease)	% Increase (Decrease)
Broadband lines	43,263	42,148	1,115	2.6%
Fixed Wireless subscribers	7,296	7,349	(53)	(0.7)%
Voice lines				
ILEC	16,555	15,871	684 A	4.3%
Out of franchise	5,321	6,113	(792)	(13.0)%
Total Voice lines	21,876	21,984	(108)	(0.5)%
Video subscribers	3,272	3,467	(195)	(5.6)%
Total revenue generating units	75,707	74,948	759	1.0 %

Note: ILEC Voice lines increased due to the MTC acquisition.

Liquidity and Balance Sheet Highlights

Liquidity

As of September 30, 2025, the Company had \$50.4 million outstanding under its \$100 million facility, with an average interest rate of 6.4%.

The Company's net debt totaled \$68.1 million as of September 30, 2025, compared to \$57.1 million as of December 31, 2024.

The Company's debt leverage ratio, calculated as net debt divided by trailing 12-month EBITDA after Corporate Expenses, was 1.2x as of September 30, 2025. Including the impact of \$6.7 million in grants receivable as an adjustment to net debt, the leverage ratio would have been 1.1x for the same period.

The Company maintains sufficient liquidity under its \$100 million credit facility, allowing it to balance strategic investments, acquisitions, and return of capital to shareholders.

Capital Expenditures

In the third quarter of 2025, capital expenditures were \$18.3 million, compared to \$15.4 million in the prior-year period. For the nine months ended September 30, 2025, capital expenditures were \$51.4 million, compared with \$43.5 million in the prior year period. Third quarter investments were focused on the continued build-out of E-ACAM broadband infrastructure and early-stage activities associated with ReConnect III and IV programs. For the nine months ended September 30, 2025, the Company received \$17.5 million in grant proceeds. The Company also continued to deploy capital toward fixed wireless network expansion through its Sound Broadband subsidiary. These investments remain essential to meeting the Company's regulatory obligations and advancing the availability of high-speed broadband services across LICT's rural service areas.

Other Assets & Investments

In addition to its core operations, the Company owns various complementary assets and investments, including spectrum licenses and minority interests in other entities. Management currently estimates that these assets collectively have a value in excess of \$50 million.

Shareholder Return

For the three months ended September 30, 2025, the Company repurchased 188 shares of its common stock for a total of \$2.2 million, bringing year to date repurchases to \$8.3 million.

On July 1, 2025, the Company's Board of Directors authorized the repurchase of an additional 250 shares, reflecting the Company's continued commitment to disciplined capital allocation and enhancing long-term shareholder value. As of September 30, 2025, LICT had 15,544 shares outstanding.

About LICT Corporation

LICT Corporation (OTC Pink®: LICT) is a holding company with subsidiaries in broadband and other telecommunications services that actively seeks acquisitions, principally in its existing business. LICT has operations in California, Kansas, Iowa, New Mexico, Oregon, Utah, and Wisconsin. Additionally, the company also holds investments in wireless spectrum, MachTen Inc., Aureon Network Services, CVIN LLC, and the Kansas Fiber Network.

Cautionary Note Concerning Forward Looking Statements

This release contains certain forward-looking information within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including without limitation anticipated financial results, financing, capital expenditures and corporate transactions. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation, business conditions and financial markets, regulatory and other approvals, and the cautionary statements set forth in documents filed by LICT on its website, www.lictcorp.com. As a result, there can be no assurance that any possible transactions will be accomplished or be successful, or that financial targets will be met. Such forward-looking information is subject to uncertainties, risks and inaccuracies, which could be material.

LICT Corporation
Statements of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
<i>(in thousands, except share data)</i>	2025	2024	2025	2024
Revenues	\$ 36,108	\$ 33,687	\$105,095	\$100,870
Cost and expenses:				
Cost of revenue, excluding depreciation and amort.	17,741	17,318	53,202	50,153
General and administrative costs at operations	3,153	2,701	9,386	8,177
Corporate office expenses	1,487	1,040	4,339	3,478
Depreciation and amortization	6,993	5,562	20,238	17,369
Total costs and expenses	29,374	26,621	87,165	79,177
Operating profit	6,734	7,066	17,930	21,693
Other income (expense)				
Investment income	48	265	890	1,473
Interest expense	(1,349)	(1,177)	(3,744)	(3,243)
Unrealized gain/(loss) on investment	(454)	(151)	(30)	(788)
Equity in earnings of affiliated companies	—	—	(66)	225
Other	(44)	(863)	(141)	(828)
Total other income (expense)	(1,799)	(1,926)	(3,091)	(3,161)
Income from operations before income taxes	4,935	5,140	14,839	18,532
Provision for income taxes	(1,301)	(1,357)	(3,939)	(4,898)
Net income	\$ 3,634	\$ 3,783	\$ 10,900	\$ 13,634
Basic and Diluted Weighted-Average Shares	15,625	16,624	15,873	16,780
Earnings Per Share	\$ 233	\$ 228	\$ 687	\$ 813
Actual shares outstanding at end of period	15,544	16,540	15,544	16,540
<u>Highlights:</u>				
Capital expenditures	\$ 18,277	\$ 15,375	\$ 51,385	\$ 43,490
Government grants received	\$ 4,162	\$ —	\$ 17,467	\$ —

LICT Corporation
Balance Sheet
(Unaudited)

<i>(in thousands)</i>	September 30, 2025	December 31, 2024
Assets:		
Current assets:		
Cash and cash equivalents	\$ 10,334	\$ 9,546
Restricted cash	1,798	1,835
Accounts receivable, less allowances of \$253 and \$190, respectively	7,328	7,834
Grants receivable	6,711	12,759
Materials and supplies	12,287	12,581
Prepaid expenses and other current assets	4,002	4,681
Total current assets	42,460	49,236
Property, plant, and equipment, net	205,129	179,910
Goodwill	48,497	48,251
Other intangibles	34,243	34,100
Investments in affiliated companies	5,839	6,723
Other assets	10,912	10,836
Total assets	\$ 347,080	\$ 329,056
Liabilities:		
Current liabilities:		
Accounts payable	\$ 10,066	\$ 8,908
Accrued interest payable	399	105
Accrued liabilities	10,246	9,227
Current maturities of long-term debt	7,727	80
Total current liabilities	28,438	18,320
Long-term debt	70,726	66,556
Deferred income taxes	31,905	31,289
Other liabilities	9,774	9,301
Total liabilities	140,843	125,466
Total shareholders' equity	206,237	203,590
Total liabilities and shareholders' equity	\$ 347,080	\$ 329,056