

FOR IMMEDIATE RELEASE

CALDWELL REPORTS THIRD QUARTER RESULTS

Toronto - July 9, 2025 - Talent acquisition firm The Caldwell Partners International Inc. (TSX: CWL; OTCQX: CWLPF) today issued its financial results for the third quarter of fiscal 2025, ended May 31, 2025. All references to quarters or years are for the fiscal periods unless otherwise noted and all currency amounts are in Canadian dollars.

Financial Highlights (in \$000s except per share amounts)

	Three Months Ended		Nine Months Ended	
	05.31.25	05.31.24	05.31.25	05.31.24
Professional fees - Caldwell	25,010	26,400	63,589	55,512
Professional fees - IQTalent ¹	2,727	2,838	8,290	8,749
Consolidated professional fees	27,737	29,238	71,879	64,261
Direct expense reimbursements	194	279	570	657
Revenues	27,931	29,517	72,449	64,918
Cost of sales	21,402	21,993	56,532	51,098
Reimbursed direct expenses	194	279	570	657
Gross profit	6,335	7,245	15,347	13,163
Selling, general and administrative expenses ²	4,375	4,849	14,017	14,154
Other expense (income) ^{3, 4}	112	-	112	(7,979)
Operating profit	1,848	2,396	1,218	6,988
Finance expenses (income)	725	37	(115)	532
Earnings before tax	1,123	2,359	1,333	6,456
Income tax expense	282	613	238	1,797
Net earnings after tax	841	1,746	1,095	4,659
Basic earnings per share	\$0.028	\$0.059	\$0.037	\$0.158
Basic earnings (loss) per share adjusted for other expense (income) ⁵	\$0.031	\$0.059	\$0.040	(0.037)

1) Professional fees of IQTalent are presented net of elimination of intercompany revenue.


2) Selling, general and administrative expenses include a benefit of \$315 related to share-based compensation as a result of share price decrease in the current quarter, compared to an expense of \$80 in the same quarter last year.

3) Other expense of \$112 primarily reflects separation costs of \$275 related to management staff reductions at IQTalent and a net loss of \$324 associated with the sublease of the Caldwell's Toronto office space. These expenses were partially offset by Caldwell's \$487 benefit from the Employee Retention Tax Credit (ERTC), established by the U.S. government under the CARES Act.

4) Restructuring income of \$7,979 in the first quarter of the prior year includes separation expense of \$1,089 for management staff reductions at IQTalent, more than offset by a net gain on lease termination of \$9,068 as IQTalent negotiated a termination of its Nashville leased facility resulting in a recovery of lease impairment charges expensed in the fourth quarter of the prior year.

5) Non-GAAP measure calculated by excluding tax-adjusted restructuring income from net earnings after tax and dividing by the number of shares outstanding at the end of the period. This measure allows for enhanced comparability of the current quarter results compared to the same quarter last year. See the following page for the calculation.

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“We’re encouraged by our third quarter results, which reflect both resilience and momentum,” said Chris Beck, chief executive officer. “Professional fees rose 24% sequentially, a strong showing in line with historical seasonal patterns, and a clear indication that client demand is strengthening despite ongoing macroeconomic uncertainty. Our business development activity remains healthy, and we’re seeing that positive momentum carry into the fourth quarter compared to an easing at the same time in the prior year.”

“At IQTalent, revenue during the quarter again held steady as we continued to reshape the business for long-term profitability,” Beck continued. “We made further reductions to overhead during the quarter and are seeing the positive impact of those actions. With new client additions in May and June and a leaner cost structure, we’re positioned for profitability in the fourth quarter and are building from a stronger foundation.”


“We also welcomed two new partners to Caldwell this quarter and continue to have active conversations in the market with individuals who align with our strategy of being a high-performing, elite executive search firm,” Beck added. “We remain confident in our team, our platform, and our ability to deliver integrated talent solutions that create lasting value for our clients and shareholders.”

The Board of Directors today also declared a dividend of 0.25 cents per Common Share (one-quarter of a cent per Common Share), payable to holders of Common Shares of record on July 18, 2025, to be paid on September 12, 2025.

About Caldwell Partners

Caldwell Partners is a technology-powered talent acquisition firm specializing in recruitment at all levels. Through two distinct brands - Caldwell and IQTalent - the firm leverages the latest innovations in AI to offer an integrated spectrum of services delivered by teams with deep knowledge in their respective areas. Services include candidate research and sourcing through to full recruitment at the professional, executive and board levels, as well as a suite of talent strategy and assessment tools that can help clients hire the right people, then manage and inspire them to achieve maximum business results.

Caldwell Partners’ common shares are listed on The Toronto Stock Exchange (TSX: CWL) and trade on the OTCQX Market (OTCQX: CWLPF). Please visit our website at www.caldwell.com for further information.



Adjusted Earnings Per Share (EPS)

The table below reconciles adjusted EPS, which is a non-GAAP financial measure, to our reported net earnings after tax. Other (income)/ expense was \$nil for the third quarter of fiscal 2024. As a result, adjusted EPS was the same as reported EPS for the period.

	Three months ended	Nine months ended	
	05.31.25	05.31.25	05.31.24
Net earnings after tax (reported)	841	1,095	4,659
Less: After-tax other expense (income) ¹	84	92	(5,758)
Adjusted profit(loss)	925	1,187	(1,099)
Weighted average number of common shares outstanding	29,534,293	29,550,411	29,558,932
Basic profit(loss) per share adjusted for other expense(income)	\$0.031	\$0.040	\$(0.037)

1) Calculated by applying Consolidated Caldwell's effective tax rate

	Three months ended	Three months ended	Three months ended
	05.31.25	05.31.25	05.31.24
Other expense (income)	112	112	(7,979)
Adjustment: After tax other expense(income)	28	20	(2,221)
After tax other expense(income)	84	92	(5,758)
Tax rate	25.1%	17.9%	27.8%

Forward-Looking Statements

Forward-looking statements in this document are based on current expectations subject to the significant risks and uncertainties cited. These forward-looking statements generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "may," "will," "likely," "estimates," "potential," "continue" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals also are forward-looking statements.

We are subject to many factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statement including, but not limited to, the impact of pandemic diseases, our ability to attract and retain key personnel; exposure to our partners taking our clients with them to another firm; the performance of the US, Canadian and international economies; risks related to deposit-taking institutions; foreign currency exchange rate fluctuations; competition from other companies directly or indirectly engaged in talent acquisition; cybersecurity requirements, vulnerabilities, threats and attacks; damage to our brand reputation; our ability to align our cost structure to changes in our revenue; liability risk in the services we perform; potential legal liability from clients, employees and candidates for employment; reliance on software that we license from third parties; reliance on third-party contractors for talent acquisition support; the classification of third-party labour as contractors versus employee relationships; our ability to successfully recover from a disaster or other business continuity issues; adverse governmental and tax law rulings; successfully integrating or realizing the expected benefits from our acquisitions, adverse operating issues from acquired businesses; volatility of the market price and trading volume of our common shares; technological advances may significantly disrupt the labour market and weaken demand for human capital at a rapid rate; affiliation agreements may fail to renew or affiliates may be acquired; the impact on profitability from marketable securities valuation fluctuations; increasing dependence on third parties for the execution of critical functions; our ability to generate sufficient cash flow from operations to support our growth and fund any dividends; potential impairment of our acquired goodwill and intangible assets; and disruption as a result of actions of certain stockholders or potential acquirers of the Company. For more information on the factors that could affect the outcome of forward-looking statements, refer to the "Risk Factors" section of our Annual Information Form and other public filings (copies of which may be obtained at www.sedar.com). These factors should be considered carefully, and the reader should not place undue reliance on forward-looking statements. Although any forward-looking statements are based on what management currently believes to be reasonable assumptions, we cannot assure readers that actual results, performance or achievements will be consistent with these forward-looking statements. Management's assumptions may prove to be incorrect. Except as required by Canadian securities laws, we do not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by us or on our behalf; such statements speak only as of the date made. The forward-looking statements included herein are expressly qualified in their entirety by this cautionary language.



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THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(unaudited - in \$000s Canadian)

	As at May 31 2025	As at August 31 2024
Assets		
Current Assets		
Cash and cash equivalents	15,444	19,634
Accounts receivable	14,672	12,664
Income taxes receivable	547	177
Unbilled revenue	8,011	5,859
Sublease asset	287	-
Prepaid expenses and other assets	1,877	2,327
	40,838	40,661
Non-current assets		
Prepaid expenses and other assets	250	276
Investments	1,646	1,682
Advances	1,168	904
Deferred income taxes	7,050	6,851
Property and equipment	1,055	1,698
Right-of-use assets	3,468	5,406
Sublease asset	1,596	-
Intangible assets	48	88
Goodwill	11,368	11,186
Total Assets	68,487	68,752
Liabilities		
Current liabilities		
Accounts payable	3,122	3,409
Dividend payable	74	-
Compensation payable	25,034	26,023
Lease liability	1,504	1,644
	29,734	31,076
Non-Current liabilities		
Compensation payable	634	692
Lease liability	4,545	4,858
	34,913	36,626
Equity attributable to owners of the Company		
Share capital	15,372	15,392
Contributed surplus	15,722	15,541
Treasury shares	(2)	-
Accumulated other comprehensive income	2,218	1,802
Retained Earnings (Deficit)	264	(609)
Total equity	33,574	32,126
Total liabilities and equity	68,487	68,752

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF EARNINGS

(unaudited - in \$000s Canadian, except per share amounts)

	Three months ended		Nine months ended	
	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Revenues				
Professional fees	27,737	29,238	71,879	64,261
Direct expense reimbursements	194	279	570	657
	27,931	29,517	72,449	64,918
Cost of sales expenses				
Cost of sales	21,402	21,993	56,532	51,098
Reimbursed direct expenses	194	279	570	657
	21,596	22,272	57,102	51,755
Gross Profit	6,335	7,245	15,347	13,163
Selling, general and administrative	4,375	4,849	14,017	14,154
Other (income)/expense	112	-	112	(7,979)
	4,487	4,849	14,129	6,175
Operating Profit	1,848	2,396	1,218	6,988
Finance expenses (income)				
Interest expense on lease liability	97	108	297	610
Investment income	(168)	(65)	(353)	(120)
Foreign exchange (income) loss	796	(6)	(59)	42
Earnings before income tax	1,123	2,359	1,333	6,456
Income tax expense	282	613	238	1,797
Net earnings for the period attributable to owners of the Company	841	1,746	1,095	4,659
Earnings per share				
Basic	\$0.028	\$0.059	\$0.037	\$0.158
Diluted	\$0.028	\$0.059	\$0.037	\$0.158

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE EARNINGS

(unaudited - in \$000s Canadian)

	Three months ended		Nine months ended	
	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Net earnings for the period	841	1,746	1,095	4,659
Other comprehensive income (loss):				
Items that may be reclassified subsequently to net earnings				
Gain (loss) on marketable securities	(2)	(1)	(1)	35
Cumulative translation adjustment	(737)	94	417	70
Comprehensive earnings for the period attributable to owners of the company	102	1,839	1,511	4,764

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(unaudited - in \$000s Canadian)

	Accumulated Other Comprehensive Income (Loss)						
	Retained Earnings (Deficit)	Share Capital	Contributed Surplus	Treasury Shares	Cumulative Translation Adjustment	(Loss)Gain on Marketable Securities	Total Equity
Balance - August 31, 2023	(4,797)	15,392	15,282	-	1,886	(39)	27,724
Net earnings for the nine months ended May 31, 2024	4,659	-	-	-	-	-	4,659
Share-based payment expense	-	-	195	-	-	-	195
Gain on marketable securities available for sale	-	-	-	-	-	35	35
Change in cumulative translation adjustment	-	-	-	-	70	-	70
Balance - May 31, 2024	(138)	15,392	15,477	-	1,956	(4)	32,683
Balance - August 31, 2024	(609)	15,392	15,541	-	1,806	(4)	32,126
Net earnings for the nine months ended May 31, 2025	1,095	-	-	-	-	-	1,095
Share-based payment expense	-	-	195	-	-	-	195
Dividend payments declared	(222)	-	-	-	-	-	(222)
Loss on marketable securities available for sale	-	-	-	-	-	(1)	(1)
Shares Cancelled	-	(20)	(14)	-	-	-	(34)
Treasury Shares	-	-	-	(2)	-	-	(2)
Change in cumulative translation adjustment	-	-	-	-	417	-	417
Balance - May 31, 2025	264	15,372	15,722	(2)	2,223	(5)	33,574

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENTS OF CASH FLOW

(unaudited - in \$000s Canadian)

	<i>Nine months ended</i>	
	<i>May 31, 2025</i>	<i>May 31, 2024</i>
Cash flow provided by (used in)		
Operating activities		
Net earnings for the period	1,095	4,659
Add (deduct) items not affecting cash		
Depreciation of property and equipment	322	305
Depreciation of right-of-use assets	1,016	1,259
Amortization of intangible assets	42	41
Amortization of advances	845	419
Interest expense on lease liabilities	297	610
Share based payment expense	195	195
Gain on unrealized foreign exchange on subsidiary loans	(44)	(85)
Gain related to equity securities obtained through search activities	-	(28)
Losses related to equity accounted associate	72	263
Impairment of fixed assets	560	-
Net gain on recognition of sublease asset	(381)	(7,741)
Changes in working capital	(6,033)	(2,164)
Net cash used in operating activities	(2,014)	(2,267)
Investing activities		
Purchase of property and equipment	(223)	(354)
Payment of advances	(1,372)	(579)
Recoupment of advances	859	-
Prepaid rent capitalization related to right-of-use assets	(21)	-
Sale of marketable securities	-	68
Purchase of marketable securities	-	(64)
Net cash used in investing activities	(757)	(929)
Financing activities		
Payment of lease liabilities	(1,321)	(1,510)
Payment of dividends	(149)	-
Purchase of treasury shares	(36)	-
Sublease payments received	-	16
Net cash used in financing activities	(1,506)	(1,494)
Effect of exchange rate changes on cash and cash equivalents	87	(23)
Net decrease in cash and cash equivalents	(4,190)	(4,713)
Cash and cash equivalents, beginning of year	19,634	22,053
Cash and cash equivalents, end of period	15,444	17,340