



**Fourth Quarter and Full Year 2025
Results
Earnings Call Transcript**

February 23, 2026

C O R P O R A T E P A R T I C I P A N T S

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Bryan Coy, *Chief Financial Officer*

C O N F E R E N C E C A L L P A R T I C I P A N T S

Kenneth Lee, *RBC Capital Markets*

Ian Zaffino, *Oppenheimer & Company*

PRESENTATION

Operator

Good afternoon, ladies and gentlemen, and welcome to the Cannae Holdings, Inc. Fourth Quarter and Full Year 2025 Financial Results Conference Call.

During today's presentation, all parties will be in a listen-only mode. Following the Company's prepared remarks, the conference will be open for questions, with instructions to follow at that time.

As a reminder, this conference call is being recorded and a replay is available through 11:59 PM Eastern Time on March 9, 2026.

With that, I would like to turn the call over to Jamie Lillis of Solebury Strategic Communications. Please go ahead.

Jamie Lillis

Thank you, Operator, and all of you for joining us. On the call today we have Cannae's CEO, Ryan Caswell, and Bryan Coy, our Chief Financial Officer.

Before we begin, I would like to remind listeners that this conference call and the Q&A following our remarks may contain forward-looking statements that involve a number of risks and uncertainties. Statements that are not historical facts, including statements about Cannae's expectations, hopes, intentions or strategies regarding the future are forward-looking statements. Forward-looking statements are based on Management's beliefs, as well as assumptions made by and information currently available to Management. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. The Company undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. The risks and uncertainties, which forward-looking statements are subject to, include but are not limited to the risks and other factors detailed in our quarterly shareholder letter which was released this afternoon and in our other filings with the SEC. Today's remarks will also include references to non-GAAP financial measures. Additional information, including a reconciliation between non-GAAP financial information to the GAAP financial information, is provided in our shareholder letter.

I would now like to turn the call over to Ryan.

Ryan Caswell

Thank you, Jamie.

Over the last year, we have made substantial progress in executing our strategic initiatives outlined in 2024, designed to generate long-term shareholder value. Notable accomplishments in 2025 include the further transformation of our portfolio with the sale of Dun & Bradstreet to Clearlake Capital for total proceeds of \$630 million to Cannae. In the fourth quarter, we also sold shares of Paysafe, System1, and Sightline to realize losses which created a \$55 million tax refund that will be paid to us in the summer of 2026.

We continued significant returns of capital to shareholders through the repurchase of \$323 million of stock, representing 17.4 million shares, or 28% of our shares outstanding. We also increased our dividend by 25% to \$0.15 per quarter and paid \$30 million in total dividends in 2025.

We made new investments in proprietary opportunities where we can help drive value. In 2025, Cannae invested an additional \$50 million in Black Knight Football Club and also invested an additional \$67.5 million in JANA Partners to increase our ownership from 20% to 50%.

With these investments and the sale of public securities like D&B, our portfolio today is primarily investments in proprietary private opportunities that public investors otherwise wouldn't be able to access. We believe it is important to provide our investors with these differentiated investment opportunities and invest in structures where Cannae can drive value.

We have also continued to create value in our portfolio companies. This is best evidenced by activity at our largest investment, Black Knight Football, which continues its strong performance across our group of clubs. Today, AFC Bournemouth sits in eighth place in the Premier League with 38 points through 27 matches. This performance is a testament to the coaching and recruiting staff at AFCB. Over the last two transfer windows, AFCB has generated over \$400 million in transfer proceeds, which, according to third-party reports, represents the second highest net profit in European football and demonstrates the team's ability to maximize profits while continuing to refresh the squad and drive performance.

We also continue to make progress on our stadium expansion. We recently received planning approval from the local council and Phase 1 of our stadium renovation is expected to be completed by the 2026/27 season. Phase 1 will now increase total capacity by approximately 1,500 seats but will increase hospitality by 600 seats or approximately 100%. Phase 2 will be completed by the start of the 2027/28 season and increase capacity to over 20,000 seats, an approximately 80% increase in capacity.

In January, we required the remaining 60% of FC Lorient for approximately 60 million euros through a combination of Black Knight Football stock and cash. The value was based roughly on the put/call that was structured in the 2023 purchase. BKFC now owns 100% of FC Lorient and we are excited about the strategic potential of the team within our multi-club. The team sits in ninth place in Ligue 1 and is in the quarterfinals of the French Cup.

After 23 matches, Moreirense Football Club sits in seventh place in the Primeira Liga with 33 points from 10 wins and 3 draws.

The success of each team demonstrates the upside of our multi-club operations and we remain excited about the value we are creating for an eventual monetization.

Despite our accomplishments in 2025, the Board and Management team are not satisfied with our stock price and believe that it does not reflect the intrinsic value of our assets or the long-term potential of the platform. As a result, and based on feedback from our shareholders, the Board has established a new set of strategic priorities designed to provide greater clarity and drive sustained long-term value creation for our shareholders.

The tenets of this strategy are as follows.

One, portfolio transformation and strategic focus. We are accelerating the transformation of our portfolio to concentrate primarily on sports and entertainment related assets where Cannae has demonstrated a differentiated competitive advantage. We continue to benefit from access to proprietary investment opportunities in these sectors and intend to build a more focused, efficient portfolio of synergistic assets where Cannae can actively drive value creation. As part of this transformation, we will continue to monetize non-strategic assets in a disciplined manner to redeploy capital towards higher returning opportunities. As a result, Cannae is exploring strategic alternatives with regards to its restaurant group.

Two, enhanced operating performance and transparency. We are intensifying our efforts on improving the operating performance of our portfolio companies while increasing the level of disclosure provided to our shareholders. Beginning this quarter, we are broadening our reporting to provide greater visibility into asset level operating value, asset level operating results, and value creation initiatives at our portfolio companies.

This can be seen from the information provided in our investor letter and we will also be posting an overview deck of Black Knight Football, our largest investment, on our website that provides more details around the strategy, clubs, and financials.

Three, disciplined capital return. Returning capital to our shareholders remains a priority. We are committed to maintaining a consistent quarterly dividend and, subject to capital availability, may pursue selective and opportunistic share repurchases. In the short term, the Board is prioritizing capital flexibility given our current capital base and the focus on the strategic transformation described earlier.

Four, ongoing governance evolution. The Board remains committed to continuous evaluation and enhancement of our governance policies and procedures consistent with best practices. With four new independent directors joining the Board in 2025, the Board has purposely refreshed committees and continues to focus on areas to improve governance and shareholder alignment. We believe executing on these strategic priorities will lead to growth in Cannae, NAV, and stock price.

With that, I'll turn the call over to Bryan.

Bryan Coy

Thanks, Ryan.

I will walk through our fourth quarter and full year results followed by a brief note on liquidity.

Starting with our fourth quarter results, total operating revenues of Cannae were \$103 million in the fourth quarter of 2025, a 6% decrease from \$110 million in 2024. This was primarily from lower restaurant revenue, a result of generally lower guest traffic and nine fewer O'Charley's locations that were closed during the year, abated in part by higher average guest checks. This was also slightly offset by higher lot sales and hospitality revenue at Brasada Ranch, our resort in Oregon.

Cannae's total operating expenses of \$127 million in the fourth quarter of '25, down from \$132 million in the prior year. Cannae's current year operating expenses included \$12 million of non-cash impairment charges, mainly associated with right-of-use assets at certain O'Charley's locations. Absent that non-cash charge, Cannae operating expenses decreased by approximately \$17 million, or 13%. That decrease reflects lower cost of restaurant revenue, lower personnel costs, and no external management fees following termination of the agreement earlier this year, as well as other actions taken to reduce corporate operating expenses, which were offset in part by increased professional fees associated with our recent proxy contest.

Of note, below Cannae's operating loss line, net recognized losses decreased \$8 million in the fourth quarter of 2025, largely comprising mark-to-market losses on our exit from Paysafe. Equity and losses of unconsolidated holdings was \$69 million in the fourth quarter of 2025, and the majority of this represents our share of Alight's fourth quarter results with the large goodwill write-off.

Moving to full year numbers. For the full year 2025, total operating revenue was \$424 million compared to \$453 million in 2024, reflecting lower restaurant locations and associated revenue. Our operating loss was \$119 million in 2025, compared to \$104 million in 2024. The 2025 figure reflects lower cost of revenue, as well as \$24 million of non-recurring management charges, \$14 million of non-cash impairment charges at the restaurant group, and \$5 million of increased professional fees associated with our recent proxy contest. Without these fees, operating expenses would have declined by approximately 27%.

The results below the operating line in 2025 were largely influenced by non-cash impairments associated with Alight, offset in part by increases in the value of our holdings in the CSI partnership.

Turning to the year-end balance sheet, Cannae had over \$1.3 billion in total assets, offsetting \$330 million of liabilities. At the corporate level, Cannae has over \$147 million of cash today, and our only corporate

debt outstanding is \$48 million of fixed-rate, interest-only term debt that doesn't mature for over four years. Additionally, as noted above, we expect to receive \$55 million in tax refunds this summer.

Operator, we'll now pause and open the line for questions.

Operator

Thank you. We will now begin the question-and-answer session. To ask a question, you may press star, then 1 on your touchtone phone. If you are using a speakerphone, please pick up your handset before pressing the keys. If at any time your question has been addressed and you would like to withdraw your question, please press star, then 2.

The first question will come from Ian Zaffino with Oppenheimer. Please go ahead.

Pardon me, Kenneth Lee with RBC Capital Markets.

Kenneth Lee

Hi, good afternoon, and thanks for taking my question. Just in terms of the strategic priorities, the new goals there, and you talked about potentially accelerating more to the sports and entertainment side. With that, how do you view the potential monetizations across the portfolio? I think you talked about strategic actions for the restaurant group, but should we consider any other non-sports investments as being open for potential monetizations over time? Thanks.

Ryan Caswell

Hi, Ken. Thank you for the question. Yeah, I think we have started to really transform our portfolio last year with some of the sales of D&B, Dayforce, Paysafe, System1. And then, as you rightly pointed out, we announced strategic alternatives related to the restaurant group today. The Board and we are going through each of the individual assets and trying to figure out where we are and does it make sense for a monetization. Clearly, some will be more strategic than others, but with the focus of where it is around sports and entertainment-related assets, we will be going through our portfolio and looking at each of our assets and determining the appropriate time. When we make a decision like we did with restaurants, we will let you know.

Kenneth Lee

Got it. Very helpful there. And one follow-up, if I may, in terms of the JANA partnership there. You have been in partnership for some time now, and obviously, just given the recent market volatility, I'm wondering if there is any change or updated outlook around potential investments associated with that or, once again, does the recent move towards sports and media not put that on the front burner anymore? Thanks.

Ryan Caswell

No, we remain very optimistic about our partnership with JANA. They just entered 25 years in business and have had an incredible track record over that, so we do remain optimistic. We think they will continue to source us different opportunities. Given the strategic direction around sports and entertainment-related assets, the box is maybe a little bit smaller given the capital base that we have today, but we continue to be optimistic about them, the long-term track record, and our ability to find stuff with them. But the Board is very focused at the current time on sports and related entertainment assets, so we would have to find something that fits within that box with them.

Kenneth Lee

Got it. And just one more follow-up, if I may. When you look across Cannae's current portfolio, across the various fintech and software-associated companies within the portfolio, how do you view the risk of AI across that portfolio, and how do you think about potential valuations around there? Thanks.

Ryan Caswell

Yeah, no, we have obviously spent a bunch of time thinking about AI and AI impact across the portfolio. I think we are fortunate that our biggest investment is around football. While there may be AI improved processes in the business, sports is quite a ways away from AI.

In terms of the financial services and other businesses that we have, we think most of them are very embedded with long-term contracts and in very important parts of their customers' processes. So, we think that those are more sheltered, and they are trying to basically implement AI into their businesses, and all of them are going through processes, looking at where they can be more efficient with AI. And so, we feel good about that, but clearly they and we are aware of all of the AI risk that's out there and the disintermediation, and we're trying to be proactive in thinking with them about things that they can do to make their business more secure from that.

Kenneth Lee

Got it. Very helpful there. Thanks again.

Operator

The next question will come from Ian Zaffino with Oppenheimer. Please go ahead.

Ian Zaffino

Hi. Great. Thank you very much. I wanted to ask—first of all, you spent a lot of time on Black Knight Football Club and kind of what you've been doing there. How do we think about the valuation of these businesses, just kind of given, number one, I don't think you've updated the valuations in a while, so what would that look like if you did update those valuations? And is there a way you could give us a framework, because I know there's been a bunch of at least U.S. assets that have changed hands at kind of astronomical prices. And so, wondering how you guys are thinking about valuation of these assets, whether it's just from a revaluation or then ultimately what they could be worth. Thanks.

Ryan Caswell

Yeah, thanks, Ian. I think there's a couple of ways to think about it. The first is, as you look at the sum of the parts, I mentioned this earlier, but we issued some stock in conjunction with the acquisition of FCL, and we issued that at about a roughly 12.5% premium to kind of the par value. That's what the mark is based on in our sum of the parts. And I think as we think about the value of the business, again, we continue to think about over time, where other Premier League teams have traded around three times, there's some public marks that are out there in that range, and applying that to our business. I think what we've also tried to do is—if you look in some of the disclosure in the shareholder letter, we've tried to provide more detailed financials on all of our investments, but in Black Knight Football in particular, for this question, which will give investors more details on the financials of the business, the balance sheet, our ownership. There has been some movement in that given the purchase of FC Lorient as well as Moreirense. So, some of those will be coming in as the financials are updated. There's a one month lag on those, or I'm sorry, one quarter lag. But we've tried to give people much more details into the financial implications, which will allow them and us to better think about what that value is.

Ian Zaffino

Okay, thanks. And then, the next question will be on SpaceX. What should we expect there? I know you have a small investment in there, but how do we think about that? And I guess if this does go public, would that be like a use of funds for you guys? Or would it be a source of funds? How will we look at that investment? Thanks.

Ryan Caswell

Yeah. If you look in our sum of the parts, we actually broke out the SpaceX investment, and so the value that we're using is based on the publicly announced merger that they had with xAI. And so, I think as we move forward, clearly the business has done very well since we've owned it. It's up significant value from where we bought it. But if you think about the strategy that we outlined earlier in the call, it seems like it'll be a source of cash for us over time.

Ian Zaffino

Okay. Thank you very much.

Operator

This concludes our question and answer session. I would like to turn the conference back over to Ryan Caswell for any closing remarks.

Ryan Caswell

Thank you, Operator.

To conclude, while we made progress in 2025, the Board and Management are not satisfied with our stock price performance and are executing a new strategic plan to drive long-term value creation. We thank you for your continued support, and we'll update you on our progress as we move forward.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.