

## Clarke Inc. Reports 2023 First Quarter Results and Election of Directors

Halifax, Nova Scotia – May 12, 2023 – Clarke Inc. (“Clarke” or the “Company”) (TSX: CKI) (TSX: CKI.DB) today announced its results for the three months ended March 31, 2023.

### First Quarter Results<sup>1</sup>

The Company’s net loss for the three months ended March 31, 2023 was \$1.7 million, compared to \$1.4 million for the same period in 2022. The net loss was primarily attributable to the Company’s non-hospitality operating businesses, including its ferry operations, which do not generate revenue in the first quarter, and the lease-up and operating costs for the 1111 Atwater Avenue development in Montreal, QC.

Hotel operations produced stronger first quarter results, achieving net operating income of \$4.4 million in the quarter, compared to \$3.2 million in the same period in 2022. Hotel revenue was \$15.0 million for the three months ended March 31, 2023, compared to \$9.6 million in the same period in 2022 – an increase of \$5.4 million, or 56%. The increase is primarily due to our markets recovering from the COVID-19 pandemic, which continued to negatively impact results in the first quarter of 2022.

Comprehensive income for the three months ended March 31, 2023 was \$1.0 million compared to \$5.7 million in the same period in 2022. This decrease is primarily due to reduced remeasurement gains on our pension plan surplus of \$2.8 million in 2023 compared to \$7.4 million in 2022.

During the first quarter of 2023, the Company’s book value per common share increased by \$0.07, or 0.5%. The increase can primarily be ascribed to (i) hotel net operating income of \$4.4 million, or \$0.31 per share, (ii) after-tax remeasurement gains on the Company’s pension surplus of \$2.8 million, or \$0.20 per share, offset by (iii) depreciation and amortization of \$2.3 million, or \$0.16 per share, (iv) interest and accretion of \$1.9 million, or \$0.14 per share, and (v) losses in our non-hospitality operating businesses and corporate overhead of \$2.0 million, or \$0.14 per share. The Company’s book value per common share at the end of the quarter was \$15.35, while the common share price was \$12.50.

### Other Information

Highlights of the interim condensed consolidated financial statements for the three months ended March 31, 2023 compared to the three months ended March 31, 2022 are as follows:

<i>(in millions, except per share amounts)</i>	<b>Three months ended March 31, 2023</b>	Three months ended March 31, 2022
	\$	\$
Hotel and revenue	<b>15.0</b>	9.6
Provision of services revenue	<b>0.3</b>	0.2
Investment and other income*	<b>0.2</b>	0.4
Net loss	<b>(1.7)</b>	(1.4)
Comprehensive income	<b>1.0</b>	5.7
Basic loss per share (“EPS”)	<b>(0.12)</b>	(0.10)
Diluted EPS	<b>(0.12)</b>	(0.10)
Total assets	<b>422.9</b>	397.2
Total liabilities	<b>207.1</b>	184.0
Long-term financial liabilities	<b>124.6</b>	127.3
Book value per share	<b>15.35</b>	14.91

\* Investment and other income includes unrealized and realized gains and losses on assets and liabilities, interest income, pension recovery/expense and foreign exchange gains and losses.

<sup>1</sup> Book value per share and net operating income are non-IFRS measures and ratios. Refer to the “Cautionary Statement Regarding Use of Non-IFRS Accounting Measures and Ratios” section of this press release and our March 31, 2023 MD&A for more information.

Further information about Clarke, including Clarke’s Interim Condensed Consolidated Financial Statements and Management’s Discussion & Analysis for the three months ended March 31, 2023, is available at [www.sedar.com](http://www.sedar.com) and [www.clarkeinc.com](http://www.clarkeinc.com).

### Election of Directors

Clarke also announced today that the director nominees listed in the Management Information Circular dated April 13, 2023, were elected as directors of the Company. The detailed results of the vote for the election of directors held at Clarke's Annual General Meeting of Shareholders held on May 12, 2023 in Halifax, Nova Scotia are set out below.

<b>Nominee</b>	<b>Votes in Favour</b>	<b>% in Favour</b>	<b>Votes Withheld</b>	<b>% Withheld</b>
George Armoyan	11,609,677	93.83%	763,518	6.17%
Blair Cook	11,944,495	96.54%	428,700	3.46%
Charles Pellerin	11,884,087	96.05%	489,108	3.95%
Jane Rafuse	11,990,972	96.91%	382,223	3.09%
Marc Staniloff	12,345,695	99.78%	27,500	0.22%

Final voting results on all matters voted on at the Annual General Meeting of Shareholders held on May 12, 2023 will be filed on the Company's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### About Clarke

Halifax-based Clarke is an investment and real estate company with holdings in a diversified group of businesses and across real estate sectors. Clarke's securities trade on the Toronto Stock Exchange (CKI, CKI.DB); for more information about Clarke Inc., please visit our website at [www.clarkeinc.com](http://www.clarkeinc.com).

### Cautionary Statement Regarding Use of Non-IFRS Accounting Measures and Ratios

This press release makes reference to “book value per share” and “net operating income” (or “hotel net operating income”). Book value per share and net operating income are not financial measures or ratios calculated and presented in accordance with International Financial Reporting Standards (“IFRS”) and should not be considered in isolation or as a substitute to any financial measures or ratios of performance calculated and presented in accordance with IFRS. These non-IFRS financial measures and ratios are presented in this press release because management of Clarke believes that such measures and ratios enhance the user’s understanding of our historical and current financial performance.

Book value per share is measured by dividing shareholders’ equity of the Company at the date of the statement of financial position by the number of common shares outstanding at that date. Net operating income is defined as revenue less expenses. Net operating income measures operating results before interest, depreciation, and amortization. Clarke’s method of determining these amounts may differ from other companies’ methods and, accordingly, these amounts may not be comparable to measures used by other companies.

Note on Forward-Looking Statements and Risks

This press release may contain or refer to certain forward-looking statements relating, but not limited, to the Company's expectations, intentions, plans and beliefs with respect to the Company. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "budgets", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or equivalents or variations of such words and phrases, or state that certain actions, events or results, "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements include, without limitation, those with respect to the future or expected performance of the Company's investee companies, the future price and value of securities held by the Company, changes in these securities holdings, the future price of oil, changes to the Company's hedging practices, currency fluctuations and requirements for additional capital. Forward-looking statements rely on certain underlying assumptions that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, the Company's investment strategy, legal and regulatory risks, general market risk, potential lack of diversification in the Company's investments, interest rates, foreign currency fluctuations, the sale of Company investments, the fact that dividends from investee companies are not guaranteed, reliance on key executives, commodity market risk, risks associated with investment in derivative instruments and other factors. With respect to the Company's investment in hotel, real estate and ferry operations, such risks and uncertainties include, among others, weather conditions, safety, claims and insurance, uninsured losses, changes in levels of business and commercial travel and tourism, increases in the supply of accommodations in local markets, the recurring need for renovation and improvement of hotel properties, labour relations, and other factors.

Although the Company has attempted to identify important factors that could cause actions, events or results not to be as estimated or intended, there can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable Canadian securities laws, the Company does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

For further information, please contact George Armoyan, President and Chief Executive Officer, at (902) 442-3413 or Tom Casey, CPA, CA, Chief Financial Officer, at (902) 420-6446.