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LICT CORPORATION REPORTS SECOND QUARTER 2026 RESULTS

Rye, NY – August 11, 2026 – LICT Corporation ("LICT" or the "Company"; OTC Pink®: LICT), an integrated provider of broadband and voice services, today reported preliminary, unaudited financial results for the second quarter of 2026.

HIGHLIGHTS

- Second quarter revenue increased 18.0% year-over-year to $40.6 million.
- EBITDA increased $4.8 million year-over-year to $18.2 million with EBITDA margin of approximately 44.9%.
- Net leverage remained at 1.5x trailing 12-month EBITDA.

Results from Operations

Second quarter 2026

Revenues

Total revenues were $40.6 million in the second quarter of 2026 compared with $34.4 million in the second quarter of 2025.

- Non-regulated revenues rose 29.9% to $25.0 million, compared with $19.2 million in the second quarter of 2025.

- Regulated revenues were $15.6 million in the second quarter of 2026, versus $15.1 million in the second quarter of 2025.

EBITDA

EBITDA for the second quarter of 2026 increased $4.8 million, to $18.2 million, compared to $13.5 million for the same period in 2025. EBITDA margin increased to 44.9% in the second quarter of 2026 compared with 39.2% in the prior-year period. The increase in EBITDA margin primarily reflected a $4.7 million EBITDA contribution from the Company's work for a middle-mile fiber provider.

- Non-regulated EBITDA for the second quarter of 2026 increased $4.9 million, or 68.8%, to $12.0 million, compared with $7.1 million in the second quarter of 2025. The increase primarily reflects a $4.7 million EBITDA contribution from the Company's work for a middle-mile fiber provider.

- Regulated EBITDA for the second quarter of 2026 was $6.2 million, compared to $6.4 million in the same period of 2025, reflecting a decrease of $0.2 million, or 2.2%. The decline was primarily driven by increased operating costs, including higher expenses for expanded staffing and professional services related to our operational expansion.

The following table is a reconciliation of EBITDA:

	Three Months Ended June 30,	
(in thousands)	**2026**	**2025**
Operating profit	**9,317**	**5,616**
Adjustments:		
Corporate expenses	1,341	1,436
Charitable contributions	2	3
Depreciation and amortization	7,567	6,418
Total adjustments	8,910	7,857
EBITDA (from operations)	**$ 18,227**	**$ 13,473**

Net Income and Earnings per Share

Net income for the three months ended June 30, 2026 was $6.2 million, or $403 per share, compared with $3.2 million, or $198 per share, for the same period in 2025. The $3.0 million, or 95.7%, increase in net income primarily resulted from the following:

- The Company's work on a middle-mile fiber project increased net income by approximately $3.5 million, or $227 per basic and diluted share.

- Increased E-ACAM support increased net income by approximately $0.6 million, or $38 per basic and diluted share.

- Other income (expense) improved by approximately $0.5 million year-over-year, primarily reflecting a $0.5 million unrealized investment gain in the second quarter of 2026.

- A $0.1 million decrease in corporate expenses.

These favorable items were partially offset by the following:

- Depreciation and amortization expenses increased $1.1 million associated with recent infrastructure investments;

- Cost of revenue increased $1.1 million reflecting expanded staffing, professional services, and higher repair and maintenance activity in the Company’s New Mexico and Utah operations;

- An increase of $1.2 million in the Company's provision for income taxes;

- General and administrative costs increased $0.4 million.

Six months ended June 30, 2026

Revenues

Total revenues were $76.3 million in the six months ended June 30, 2026 compared with $69.0 million in the six months ended June 30, 2025.

- Non-regulated revenues rose 16.9% to $45.2 million, compared with $38.6 million in the six months ended June 30, 2025.

- Regulated revenues were $31.1 million in the six months ended June 30, 2026, versus $30.3 million in the six months ended June 30, 2025.

EBITDA

EBITDA for the six months ended June 30, 2026 increased $4.9 million, to $32.2 million, compared to $27.3 million for the same period in 2025. EBITDA margin increased to 42.2% in the six months ended June 30, 2026 compared with 39.6% in the prior-year period. The increase in EBITDA margin was due primarily to a $4.9 million EBITDA contribution year to date from the Company's work on a middle-mile fiber project.

- Non-regulated EBITDA for the six months ended June 30, 2026 increased $5.1 million, or 35.4%, to $19.7 million, compared with $14.5 million in the six months ended June 30, 2025. The growth primarily reflected the EBITDA contribution from the Company's work on a fiber-build project for a middle-mile provider, partially offset by increased operating costs associated with the Company's ongoing network expansion activities.

- Regulated EBITDA for the six months ended June 30, 2026 was $12.5 million, compared to $12.8 million in the same period of 2025, reflecting a decrease of $0.3 million, or 2.0%. The decline was primarily driven by increased operating costs, including higher expenses for expanded staffing and professional services related to our operational expansion.

The following table is a reconciliation of EBITDA:

	Six Months Ended June 30,	
(in thousands)	**2026**	**2025**
Operating profit	**$ 13,397**	**$ 11,196**
Adjustments:		
Corporate expenses	3,255	2,845
Charitable contributions	17	7
Depreciation and amortization	15,517	13,245
Total adjustments	18,789	16,097
EBITDA (from operations)	**$ 32,186**	**$ 27,293**

Net Income and Earnings per Share

Net income for the six months ended June 30, 2026 was $8.0 million, or $522 per share, compared with $7.3 million, or $453 per share, for the same period in 2025. The $0.7 million, or 10.0%, increase in net income primarily resulted from the following:

- The Company's work on a middle-mile fiber project increased net income by approximately $3.6 million, or $235 per basic and diluted share.

- Increased E-ACAM support increased net income by approximately $1.2 million, or $77 per basic and diluted share.

These increases were offset by the following:

- Depreciation and amortization expenses increased $2.3 million associated with recent infrastructure investments;

- Other expense increased by approximately $1.1 million year over year. The increase reflected a $1.1 million unfavorable change in unrealized investment gains and losses and a $0.5 million increase in interest expense, partially offset by increases in investment income, equity earnings and other income;

- Cost of revenue increased $1.6 million reflecting expanded staffing, professional services, and higher repair and maintenance activity in the Company's New Mexico and Utah operations;

- General and administrative costs and corporate expenses increased $0.8 million and $0.4 million, respectively.

The Company also recorded a $0.4 million increase in its provision for income taxes.

Liquidity and Balance Sheet Highlights

Liquidity

As of June 30, 2026, the Company had $68.6 million outstanding under its $100 million facility, with an average interest rate of 5.8%.

- Net debt totaled $82.2 million as of June 30, 2026, compared to $80.3 million as of December 31, 2025.

- Net debt leverage ratio, calculated as net debt divided by trailing 12-month EBITDA after Corporate Expenses, was 1.5x as of June 30, 2026.

The Company is currently in discussions with its lender to amend its revolving credit facility to increase total commitments from $100 million to $150 million. While no assurance can be provided that such amendment will be completed, the Company expects that, if consummated, the expanded facility would support ongoing capital expenditure programs, including broadband build-out initiatives and grant-related projects. As of June 30, 2026, the Company was in compliance with all applicable financial covenants under the agreement.

Capital Expenditures in the Second Quarter

Gross capital expenditures totaled $18.2 million in the second quarter of 2026, compared to $17.6 million in the prior-year period. Second 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.

During the second quarter of 2026, the Company received $10.3 million in grant proceeds related to these network expansion initiatives. After giving effect to these grant reimbursements, net capital expenditures for the quarter were approximately $7.8 million. In addition, the Company also continued to invest in fixed wireless network expansion through its Sound Broadband subsidiary.

Capital Expenditures Year to Date

Gross capital expenditures totaled $32.3 million in the first six months of 2026, compared to $33.1 million in the prior-year period. First six months 2026 investments were focused on the continued build-out of E-ACAM broadband infrastructure and early-stage activities associated with ReConnect III and IV programs.

During the first six months of 2026, the Company received $14.8 million in grant proceeds related to these network expansion initiatives. After giving effect to these grant reimbursements, net capital expenditures for the first six months of 2026 were approximately $17.5 million. In addition, the Company also continued to invest in fixed wireless network expansion through its Sound Broadband subsidiary.

These investments remain essential to meeting the Company's regulatory obligations while accelerating broadband expansion across LICT's service territories. Through continued deployment of fiber and fixed wireless infrastructure, the Company is expanding network reach, increasing the number of serviceable locations, and positioning itself for future broadband subscriber and revenue growth in both existing and adjacent markets.

Other Assets and 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.

Rural Broadband Expansion Accelerates: A Key Driver of Growth

Government Programs

LICT continues to benefit from federal and state programs that support the expansion of high-speed broadband infrastructure in rural markets. The Company participates in the FCC's Enhanced Alternative Connect America Cost Model ("E-ACAM") program, which supports broadband deployment across LICT's rural service territories.

- E-ACAM provided $37.2 million in annual support during 2025. Following a one-time regulatory revision to the E-ACAM support levels, based on the FCC's revised eligible locations list completed in December 2025, support will increase to $40.4 million in 2026, decline modestly in 2027, and stabilize at approximately $35.4 million annually from 2028 through 2038 for total expected support of approximately $541.7 million for the 15-year period ended 2038.

- In addition, in the first quarter of 2026, the Company was awarded Broadband Equity, Access, and Deployment ("BEAD") program grants totaling approximately $23.2 million, which require matching contributions of approximately $11.6 million, for total expected project costs of approximately $34.8 million. The Company is currently awaiting final agreements before executing contracts for these projects, which are expected to expand broadband service in both existing and adjacent service areas. Construction is anticipated to occur over the next two to five years.

Broadband Deployment and Subscriber Growth

Broadband services remain the primary growth driver of LICT's telecommunications operations.

- At June 30, 2026, LICT owned and operated 8,397 miles of fiber optic cable, an increase of 213 miles, or 3%, compared with 8,184 at December 31, 2025. The Company also operates 8,942 miles of copper cable, 850 miles of coaxial cable, 111 towers and 301 spectrum licenses (1,216 million MHZ-Pop).

- Total broadband connections totaled 53,118. Broadband services now represent approximately two-thirds of total revenue-generating units, underscoring the Company's continued transition toward data-driven services. Broadband services continued to grow during the quarter, while demand for traditional voice and video services declined. The decrease in fixed wireless connections primarily reflected customers migrating to fiber in areas where both services were available, highlighting continued adoption of the Company's fiber network.

The table below provides a comparative summary of the Company's subscriber and line metrics as of June 30, 2026, versus December 31, 2025.

	June 30, 2026	December 31, 2025	Increase (Decrease)	% Increase (Decrease)
Broadband lines	46,278	43,976	2,302	5.2 %
Fixed Wireless subscribers	6,840	7,002	(162)	(2.3) %
Total Broadband	**53,118**	**50,978**	**2,140**	**4.2 %**
Voice lines				
ILEC	15,891	16,203	(312)	(1.9) %
Out of franchise	4,727	5,142	(415)	(8.1) %
Total Voice lines	20,618	21,345	(727)	(3.4) %
Video subscribers	3,124	3,272	(148)	(4.5) %
Total revenue generating units	**76,860**	**75,595**	**1,265**	**1.7 %**

During the first six months of 2026, growth in fiber broadband subscribers was partially offset by a decline in fixed-wireless subscribers as certain customers migrated to fiber-based services and the Company continued to optimize its broadband platform.

Strategic Initiatives

The Company continues to focus on improving the capital efficiency of its network investments. By incorporating fixed wireless technologies and alternative access solutions alongside fiber deployment, LICT is able to expand broadband coverage while reducing overall deployment costs in certain markets.

- *Returning Cash to Shareholders* - During the second quarter of 2026, the Company repurchased 21 shares of its common stock for a total of $0.2 million. During the six months ended June 30, 2026, the Company has repurchased a total of 29 shares of its common stock for a total of $0.3 million. As of June 30, 2026, LICT had 15,297 shares outstanding.

- *Acquisition Completed* - On July 1, 2026, the Company completed its previously announced acquisition of Gunnison Telephone Company. This strategic move reinforces the Company's commitment to delivering high-quality telecommunication services while expanding its footprint to support the rural communities of Gunnison, Centerfield, Mayfield, Fayette, and Axtell. The Company plans to retain all Gunnison Telephone Company staff in their positions to expand their customer support.

LICT Corporation
Statements of Operations
(Unaudited)

(in thousands, except share data)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenues	**$ 40,557**	**$ 34,378**	**$ 76,274**	**$ 68,987**
Cost and expenses:				
Cost of revenue, excluding depreciation and amort.	18,926	17,867	37,057	35,461
General and administrative costs at operations	3,404	3,038	7,031	6,233
Corporate office expenses	1,341	1,436	3,255	2,845
Charitable contributions	2	3	17	7
Depreciation and amortization	7,567	6,418	15,517	13,245
Total costs and expenses	**31,240**	**28,762**	**62,877**	**57,791**
Operating profit	**9,317**	**5,616**	**13,397**	**11,196**
Other income (expense)				
Investment income	68	58	993	842
Interest expense	(1,535)	(1,248)	(2,869)	(2,395)
Unrealized gain/(loss) on investment	545	—	(667)	424
Equity in earnings of affiliated companies	47	—	47	(66)
Other	117	(108)	102	(97)
Total other income (expense)	**(758)**	**(1,298)**	**(2,394)**	**(1,292)**
Income before income taxes	**8,559**	**4,318**	**11,003**	**9,904**
Provision for income taxes	(2,396)	(1,168)	(3,012)	(2,638)
Net income	**$ 6,163**	**$ 3,150**	**$ 7,991**	**$ 7,266**
Basic and Diluted Weighted-Average Shares	15,309	15,940	15,315	16,027
Earnings Per Share	$ 403	$ 198	$ 522	$ 453
Actual shares outstanding at end of period	15,297	15,732	15,297	15,732

Highlights:

Capital expenditures	$ 18,162	$ 17,623	$ 32,275	$ 33,108
Government grants received	$ 10,329	$ 6,087	$ 14,812	$ 13,305

LICT Corporation
Balance Sheet
(Unaudited)

(in thousands)		June 30, 2026		December 31, 2025
Assets:				
Current assets:				
Cash and cash equivalents	$	13,783	$	11,684
Restricted cash		2,698		668
Accounts receivable, less allowances of $120 and $129, respectively		13,655		10,371
Grants receivable		3,255		3,340
Materials and supplies		16,596		11,822
Prepaid expenses and other current assets		4,611		4,517
Total current assets		**54,597**		**42,402**
Property, plant, and equipment, net		228,605		220,013
Goodwill		50,735		50,735
Other intangibles		33,355		33,611
Investments in affiliated companies		5,582		6,202
Other assets		10,439		10,783
Total assets	**$**	**383,313**	**$**	**363,746**
Liabilities:				
Current liabilities:				
Accounts payable	$	7,515	$	8,951
Accrued interest payable		508		541
Accrued liabilities		19,570		11,088
Current maturities of long-term debt		3,884		7,731
Total current liabilities	**$**	**31,477**	**$**	**28,311**
Long-term debt		92,083		84,223
Deferred income taxes		35,890		36,566
Other liabilities		10,459		8,895
Total liabilities		**169,909**		**157,995**
Total shareholders' equity		213,404		205,751
Total liabilities and shareholders' equity	**$**	**383,313**	**$**	**363,746**

About LICT Corporation

LICT Corporation and Subsidiaries (OTC Pink®: LICT) is a diversified broadband and communications company with operations in California, Kansas, Iowa, New Mexico, Oregon, Utah and Wisconsin. The Company also holds investments in wireless spectrum, including MachTen Inc., Aureon Network Services, CVIN LLC and the Kansas Fiber Network. LICT's strategy is to serve customers with fiber, wireless and next-generation solutions and bring advanced connectivity services not only to rural areas, but also to adjacent urban markets, expanding its footprint and closing the digital divide. More information is available at **lictcorp.com.**

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.