Creative Realities Reports Fiscal 2026 Third Quarter Results

November 16, 2026

Revenue $26.2 Million, on Track for Record-Setting Year, Strong Outlook for 2027

LOUISVILLE, Ky., Nov. 16, 2026 (GLOBE NEWSWIRE) -- Creative Realities, Inc. (“Creative Realities,” “CRI,” or the “Company”) (NASDAQ: CREX), a leading provider of digital signage, media and AdTech solutions, today announced its financial results for the fiscal third quarter ended September 30, 2026.

Highlights:

- Third quarter revenue of $26.2 million versus $10.5 million in the prior-year period.
- Gross profit of $9.7 million for the three months ended September 30, 2026 versus $4.8 million in the third quarter of fiscal 2025.
- Adjusted EBITDA* of $2.7 million for the third quarter of 2026 versus $0.8 million in the prior-year period.
- Annualized recurring revenue (“ARR”)** of approximately $21.7 million at the end of the third quarter versus $12.3 million as of September 30, 2025.
- Creative Realities announced that it has been selected by Zaxby’s, with over 1,000 locations across the United States, for digital media upgrades. Currently every location with previously-installed drive-through signage has been converted and is utilizing the Clarity CMS solution.
- The previously-announced contract with Albertsons is currently on track, with CRI’s retail media network already deployed at 500+ stores – with roughly 15 screens per location now delivering over 30 million ads daily. All remaining stores are expected to be up and running with Creative Realities’ AdTech technology by the end of the second quarter 2027.

“We continue to set new records this year in terms of growth acceleration, business wins, and EBITDA expansion,” said Rick Mills, Chief Executive Officer. “We anticipate revenue exceeding $100 million in fiscal 2026, as the fourth quarter is expected to benefit from seasonal factors related to our retail media contracts as well as from the positive impact of recent awards and new customer installations. In addition to our significant work for Albertsons, the installation of our digital solutions at the new Tennessee Titans stadium is well underway and expected to be substantially completed by year end. We focused on the balance sheet this quarter, using existing cash to pay down debt, provide increased financial flexibility, and reduce ongoing interest expense. Our talented staff and leadership successfully executed an operating strategy that is producing significant growth as we become a more nimble organization intent on achieving improved bottom line results and cash generation. We are well on our way to our best year ever, with even greater performance anticipated for 2027.”

*Adjusted EBITDA is a non-GAAP financial measure. A reconciliation is provided in the tables of this press release.
**Annualized Recurring Revenue, or ARR, is a non-GAAP operating metric that is described below.

2026 Third Quarter Financial Results

Sales were $26.2 million for the fiscal 2026 third quarter as compared to $10.5 million in the same period in fiscal 2025, with approximately $8.0 million in the current year quarter from the operations of our subsidiary, Cineplex Digital Media (“CDM”). Hardware sales rose to $11.4 million, versus $4.2 million in the prior-year period, while service revenue climbed to $14.9 million from $6.4 million in fiscal 2025, reflecting the CDM operations as well as deployment timing. Both revenue streams benefitted from recent wins and overall deployment timing.

Consolidated gross profit was $9.7 million for the fiscal 2026 third quarter versus $4.8 million in the prior-year period, and consolidated gross margin was 37.1% versus 45.3% in the fiscal 2025 third quarter. Gross margin on hardware revenue was 18.5% in fiscal 2026 as compared to 30.0% in the prior-year period, while gross margin on services amounted to 51.4% versus 55.3% in the fiscal 2025 third quarter. Hardware gross margin decreased year-over-year primarily due to mix, while service gross margin declined due to the expiration of certain customer contracts in 2025. The Company ended the 2026 third quarter with ARR of approximately $21.7 million.

Sales and marketing expenses in the third quarter rose to $2.8 million, versus $1.4 million in the prior-year period, while general and administrative (G&A) expenses increased to $9.3 million versus $5.0 million in the third quarter of fiscal 2025, primarily as a result of the inclusion of CDM’s operations.

The Company posted an operating loss of approximately $2.4 million in the third quarter of fiscal 2026 compared to an operating loss of $7.3 million in the third quarter of fiscal 2025; the prior-year period included a software impairment charge of $5.7 million. CRI reported a net loss of $3.6 million and a net loss attributable to common stockholders of $4.0 million, or $(0.29) per diluted share, in the quarter ended September 30, 2026 versus a net loss of $7.9 million, or $(0.75) per diluted share, in the prior-year period, including the aforementioned software impairment charge.

Adjusted EBITDA (defined later in this release) was $2.7 million in the third quarter of 2026 as compared to $0.8 million in the prior-year period.

Balance Sheet
As of September 30, 2026, the Company had cash on hand of approximately $1.8 million, versus $1.6 million at December 31, 2025. The Company had outstanding debt of approximately $40.0 million versus $44.0 million at the start of the fiscal year.

Conference Call Details
The Company will host a conference call to review the results of the third quarter of 2026, and provide additional commentary about recent

performance, today, November 16, at 9:00 am Eastern Time, which will include prepared remarks and materials from management, followed by a live Q&A. The call will be hosted by Rick Mills, Chief Executive Officer, and Tamra Koshewa, Chief Financial Officer,.

Prior to the call, participants should register at https://bit.ly/CREXearnings3Q2026. Once registered, participants can use the weblink provided in the registration email to participate in the live webcast. An archived edition of the earnings conference call will be posted on the Company's website after the call and will remain available for one year.

Use of Non-GAAP Measures
The Company prepares its consolidated financial statements in accordance with United States generally accepted accounting principles ("GAAP"). In addition to disclosing financial results prepared in accordance with GAAP, the Company discloses information regarding "EBITDA" and "Adjusted EBITDA." The Company defines "EBITDA" as earnings before interest, income taxes, depreciation and amortization of intangibles. The Company defines "Adjusted EBITDA" as EBITDA excluding stock-based compensation, fair value adjustments and both cash and non-cash non-recurring gains and charges. EBITDA and Adjusted EBITDA are not measures of performance defined in accordance with GAAP. However, EBITDA and Adjusted EBITDA are used internally in planning and evaluating the Company's operating performance. Accordingly, management believes that disclosure of these metrics offers investors, bankers and other stakeholders an additional view of the Company's operations that, when coupled with the GAAP results, provides a more complete understanding of the Company's financial results. EBITDA and Adjusted EBITDA should not be considered as an alternative to net income/(loss) or to net cash used in operating activities as measures of operating results or liquidity. Our calculation of EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures used by other companies, and the measures exclude financial information that some may consider important in evaluating the Company's performance. A reconciliation of GAAP net income/(loss) to EBITDA and Adjusted EBITDA is included in the accompanying financial schedules. For further information, please refer to the Company's filings available online at www.sec.gov, including its Annual Report on Form 10-K for 2025 filed with the Securities and Exchange Commission.

Annualized recurring revenue, or "ARR," represents the annualized revenue run rate of our subscription (1) software-as-a-service ("SaaS") contracts, (2) maintenance and support of perpetual license contracts, and (3) content management service contracts at the end of the final calendar month included in a reporting period, assuming these contracts are renewed on their existing terms for customers that are under subscription contracts with us. This gives us an indication of the revenue that can be earned in the following 12-month period from our existing client base, assuming no cancellations or price changes occur during that period. We believe that ARR is a key operating metric to measure our business because it is driven by our ability to acquire new subscription customers and to maintain and expand our relationship with existing subscription customers. ARR should be viewed independently of revenue and deferred revenue as ARR is a performance metric and is not intended to be combined with any of these items.

For further information, please refer to the Company's filings available online at www.sec.gov, including its Annual Report on Form 10-K for 2025 filed with the Securities and Exchange Commission.

About Creative Realities, Inc.
Creative Realities designs, develops and deploys digital signage-based experiences for enterprise-level networks utilizing its Clarity™, ReflectView™ and iShowroom™ Content Management System (CMS) platforms. The Company is actively providing recurring SaaS and support services across diverse vertical markets, including, but not limited to, retail, automotive, digital out-of-home (DOOH) advertising networks, convenience stores, foodservice/QSR, gaming, theater, and stadium venues. In addition, the Company assists clients in utilizing place-based digital media to achieve business objectives such as increased revenue, enhanced customer experiences, and improved productivity. This includes the design, deployment, and day-to-day management of retail media networks to monetize on-premise foot traffic utilizing its AdLogic™ and CPM+™ programmatic advertising platforms.

C**autionary Note on Forward-Looking Statements**
This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, and includes, among other things, discussions of our business strategies, product releases, future operations and capital resources. Words such as "estimates," "projects," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance, conditions or results. They are based on the opinions, estimates and beliefs of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties, assumptions and other factors, many of which are outside of our control, that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Some of these risks are discussed in the "Risk Factors" section contained in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 and in subsequent filings with the U.S. Securities and Exchange Commission. Important factors, among others, that may affect actual results or outcomes include: our ability to integrate the acquired business of Cineplex Digital Media Inc. ("CDM") into our own, maintain or improve the financial performance of CDM's business and realize anticipated synergies, our strategy for customer retention, growth, product development, market position, financial results and reserves, our ability to execute on our business plan, our ability to retain key personnel, our ability to remain listed on the Nasdaq Capital Market, our ability to realize the revenues included in our future guidance and backlog reports, our ability to satisfy our upcoming debt obligations and other liabilities, the ability of the Company to continue as a going concern, potential litigation, supply chain shortages, and general economic and market conditions impacting demand for our products and services. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and the Company undertakes no obligation to update such statements to reflect events that occur or circumstances after the date hereof. All forward looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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CREATIVE REALITIES, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	September 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,812	$ 1,559
Accounts receivable, net	19,745	19,219
Inventories, net	6,225	7,420
Prepaid expenses and other current assets	2,846	5,347
Total Current Assets	30,628	33,545
Property and equipment, net	3,933	2,937
Goodwill	49,343	53,266
Other intangible assets, net	31,889	35,906
Finance lease right-of-use assets	16,422	22,658
Operating lease right-of-use assets	1,704	2,117
Other non-current assets	446	611
Total Assets	$ 134,365	$ 151,040
LIABILITIES, TEMPORARY EQUITY, AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 15,422	$ 16,673
Accrued expenses and other current liabilities	5,837	3,837
Deferred revenues	5,037	8,115
Customer deposits	2,501	1,823
Current maturities of operating leases	594	596
Current maturities of finance leases	5,518	3,799
Short-term debt	6,798	4,430
Total Current Liabilities	41,707	39,273
Revolving credit facility	5,119	4,940
Term debt, net of deferred financing costs	28,034	34,583
Non-current operating lease liabilities	1,218	1,673
Non-current finance lease liabilities	12,192	17,844
Deferred tax liabilities	167	3,541
Total Liabilities	88,437	101,854
Commitments and contingencies (Note 10)		
Series A Redeemable Convertible Preferred stock, $1,000 stated value, 50,000 shares authorized; 30 shares issued and outstanding as of September 30, 2026 and December 31, 2025 Liquidation preference of $31,436 and $30,232 as of September 30, 2026 and December 31, 2025, respectively	28,891	27,688
Shareholders' Equity:		
Common stock, $0.01 par value, 66,666 shares authorized; 13,527 and 10,519 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	135	105
Additional paid-in capital	97,157	85,300
Accumulated deficit	(80,047)	(65,130)
Accumulated other comprehensive (loss) income	(208)	1,223
Total Shareholders' Equity	17,037	21,498
Total Liabilities, Temporary Equity, and Shareholders' Equity	$ 134,365	$ 151,040

CREATIVE REALITIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Sales:				
Hardware	$ 11,357	$ 4,168	$ 23,389	$ 14,635
Services and other	14,851	6,379	40,672	18,676
Total sales	26,208	10,547	64,061	33,311
Cost of sales:				
Hardware	9,256	2,917	19,372	10,519
Services and other	7,216	2,853	21,060	8,545
Total cost of sales	16,472	5,770	40,432	19,064
Gross profit	9,736	4,777	23,629	14,247
Operating expenses:				
Sales and marketing expenses	2,762	1,372	7,683	3,775
General and administrative expenses	9,341	4,963	27,264	14,083
Loss on impairment of software asset	-	5,712	-	5,712
Total operating expenses	12,103	12,047	34,947	23,570
Operating loss	(2,367)	(7,270)	(11,318)	(9,323)
Other expenses (income):				
Interest expense, including amortization of debt discount	1,201	530	4,092	1,364
Gain on settlement of contingent consideration	-	-	-	(4,775)
Other expense, net	152	144	512	408
Total other expenses (income), net	1,353	674	4,604	(3,003)
Loss before income taxes	(3,720)	(7,944)	(15,922)	(6,320)
Income tax (expense) benefit	160	82	1,005	9
Net loss	(3,560)	(7,862)	(14,917)	(6,311)
Series A Redeemable Convertible Preferred Stock dividends	(411)	-	(1,203)	-
Net loss attributable to common stockholders	$ (3,971)	$ (7,862)	$ (16,120)	$ (6,311)
Basic loss per common share	$ (0.29)	$ (0.75)	$ (1.40)	$ (0.60)
Diluted loss per common share	$ (0.29)	$ (0.75)	$ (1.40)	$ (0.60)
Weighted average shares outstanding - basic	13,489	10,519	11,547	10,487
Weighted average shares outstanding - diluted	13,489	10,519	11,547	10,487

CREATIVE REALITIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Nine Months Ended September 30,	
	2026	2025
Operating Activities:		
Net loss	$ (14,917)	$ (6,311)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	11,885	3,629
Non-cash lease expense	397	510
Amortization of deferred financing costs	131	77
Stock-based compensation	1,184	1,679
Provision for credit losses	260	201
Provision for inventory reserves	93	9
Gain on settlement of contingent consideration	-	(4,775)
Loss on impairment of software asset	-	5,712
Deferred income taxes	(1,037)	(1)

Changes to operating assets and liabilities, net of acquisitions:		
Accounts receivable	(1,027)	(680)
Inventories	1,042	(2,319)
Prepaid expenses and other current assets	3,181	(331)
Accounts payable	(1,012)	2,384
Accrued expenses and other current liabilities	2,032	(602)
Deferred revenue	(2,975)	1,333
Customer deposits	678	(663)
Other assets	164	(138)
Lease liabilities	(441)	(513)
Other non-current liabilities	-	(35)
Net cash used in operating activities	(362)	(834)
Investing Activities:		
Purchases of property and equipment	(2,868)	(210)
Capitalization of costs for software development	(1,193)	(1,763)
Net cash used in investing activities	(4,061)	(1,973)
Financing Activities:		
Repayment of term debt and promissory note	(4,312)	-
Proceeds from registered offering of common stock and warrants, net	12,106	-
Proceeds from borrowings under revolving credit facility	28,772	28,215
Repayment of borrowings under revolving credit facility	(28,592)	(23,096)
Payment of contingent consideration	-	(3,000)
Repurchase of common stock warrants	(200)	-
Repayment of finance lease obligations	(3,277)	(35)
Net cash provided by financing activities	4,497	2,084
Effect of exchange rate on cash and cash equivalents	180	-
Net increase in cash and cash equivalents	253	(723)
Cash and cash equivalents, beginning of period	1,559	1,037
Cash and cash equivalents, end of period	$ 1,812	$ 314

RECONCILIATION OF GAAP NET LOSS TO ADJUSTED EBITDA
(in thousands, unaudited)

Creative Realities, Inc. prepares its consolidated financial statements in accordance with United States generally accepted accounting principles ("GAAP"). In addition to disclosing financial results prepared in accordance with GAAP, the Company discloses information regarding "EBITDA" and "Adjusted EBITDA." CRI defines "EBITDA" as earnings before interest, income taxes, depreciation and amortization of intangibles. CRI defines "Adjusted EBITDA" as EBITDA excluding stock-based compensation, fair value adjustments and both cash and non-cash non-recurring gains and charges.

EBITDA and Adjusted EBITDA are non-GAAP financial measures and should not be considered as a substitute for net income (loss), operating income (loss) or any other performance measure derived in accordance with United States generally accepted accounting principles ("GAAP") or as an alternative to net cash provided by operating activities as a measure of CRI's profitability or liquidity. CRI's management believes EBITDA and Adjusted EBITDA are useful financial metrics because they allow external users of CRI's financial statements, such as industry analysts, investors, lenders and rating agencies, to more effectively evaluate CRI's operating performance, compare the results of its operations from period to period and against CRI's peers and because it highlights trends in CRI's business that may not otherwise be apparent when relying solely on GAAP measures. CRI also presents EBITDA and Adjusted EBITDA because it believes EBITDA and Adjusted EBITDA are important supplemental measures of its performance that are frequently used by others in evaluating companies in its industry. Because EBITDA and Adjusted EBITDA exclude some, but not all, items that affect net income (loss) and may vary among companies, the EBITDA and Adjusted EBITDA CRI presents may not be comparable to similarly titled measures of other companies.

The following table presents a reconciliation of EBITDA and Adjusted EBITDA from net (loss) income, CRI's most directly comparable financial measure calculated and presented in accordance with GAAP.

	Quarters Ended				
Quarters ended	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
GAAP net loss	$ (3,560)	$ (3,896)	$ (7,461)	$ (1,965)	$ (7,862)
Interest expense:					
Amortization of deferred financing costs	82	80	83	60	26
Interest expense, net	1,119	1,385	1,382	1,055	504

Depreciation/amortization:					
Amortization of intangible assets	1,707	1,456	1,441	1,350	1,171
Depreciation of property and equipment	2,400	2,429	2,452	1,512	54
Income tax expense (benefit)	(160)	(315)	(530)	1,175	(82)
EBITDA	$ 1,588	$ 1,139	$ (2,633)	$ 3,187	$ (6,189)
Adjustments					
Stock-based compensation	430	430	324	724	308
Deal & transaction expenses	18	105	43	1,188	766
CDM related integration and transition costs	498	240	1,452	-	-
Loss on impairment of software asset	-	-	-	-	5,712
Loss on modification of revolver	-	-	-	24	-
Other expense (income)	152	40	320	108	144
Adjusted EBITDA	$ 2,686	$ 1,954	$ (494)	$ 5,231	$ 741