

Attention Business/Financial Editors:

Evertz Technologies Limited exceeds Half Billion in Annual Revenue in Fiscal 2025.

Burlington, June 25, 2025, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the fourth quarter and year ended April 30, 2025.

Fiscal 2025 Highlights

- Annual Revenues in excess of a half billion dollars, totaling \$501.6 million for the year
- Reoccurring software, services and other software of \$222.6 million, an increase of 18% from the prior year and representing 44% of total revenue in fiscal 2025
- Canada/US revenue of \$374.4 million, an increase of 11% or \$36.4 million from the prior year
- Earnings from operations of \$81.5 million
- Net earnings of \$59.7 million for the year
- Fully diluted earnings per share of \$0.77 for the year

Fourth Quarter 2025 Highlights

- Quarterly revenue of \$127.8 million an increase of 4% from the prior year
- Reoccurring software, services and other software of \$56.1 million, an increase of 18% from the prior year
- Earnings from operations before foreign exchange (“FX”) of \$23.8 million, an increase of 39% from the prior year
- Net earnings of \$13.0 million for the quarter
- Fully diluted earnings per share of \$0.17 for the quarter
- Cash and cash equivalents of \$111.7 million

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except earnings per share and share data)

	<u>Q4'25</u>	<u>Q4'24</u>	<u>YE'25</u>	<u>YE'24</u>
Revenue	\$ 127,805	\$ 122,770	\$ 501,623	\$ 514,616
Gross margin	78,885	72,655	298,505	302,443
Earnings from operations	19,404	19,541	81,512	100,396
Earnings from operations (before Foreign Exchange)	23,863	17,190	81,294	100,242
Net earnings	13,043	13,861	59,767	71,027
Fully-diluted earnings per share	\$ 0.17	\$ 0.18	\$ 0.77	\$ 0.91
Fully-diluted shares	76,805,024	77,310,309	76,975,472	77,044,858

Selected Financial Information
Consolidated Balance Sheet Data
(in thousands of dollars)

	YE ' 25	YE ' 24
Cash and cash equivalents	\$ 111,665	\$ 86,325
Working capital	206,900	201,437
Total assets	469,485	484,722
Shareholders' equity	268,123	263,267

Revenue

For the quarter ended April 30, 2025, revenues were \$127.8 million compared to revenues of \$122.7 million for the quarter ended April 30, 2024. For the quarter, revenues in the United States/Canada region were \$106.2 million, an increase of \$9.7 million, compared to \$96.5 million in the same quarter last year. The International region had revenues of \$21.4 million compared to \$26.3 million in the same quarter last year.

For the year ended, April 30, 2025, sales were \$501.6 million (including \$279.0 million in hardware and \$222.5 million in reoccurring software, services and other software) compared to sales of \$514.6 million (including \$325.7 million in hardware and \$188.9 million in reoccurring software, services and other software) for the year ended April 30, 2024. For the year, revenues in the United States/Canada region were \$374.4 million, an increase of \$36.4 million compared to \$338.0 million in the prior year. The International region had revenues of \$127.2 million compared to \$176.6 million, a decrease of \$49.4 million from the prior year.

Gross Margin

For the quarter ended April 30, 2025, gross margin was \$78.9 million as compared to \$72.7 million in the same quarter last year. Gross margin percentage was approximately 61.7% as compared to 59.2% in the quarter ended April 30, 2024.

For the year ended April 30, 2025, gross margin was \$298.5 million as compared to \$302.4 million for the year ended April 30, 2024. Gross margin percentage was approximately 59.5% as compared to 58.8% for the prior year.

Earnings

For the quarter ended April 30, 2025, net earnings were \$13.0 million as compared to \$13.9 million in the corresponding period last year.

For the year ended April 30, 2025, net earnings were \$59.7 million as compared to \$71.0 million in the corresponding period last year.

For the quarter ended April 30, 2025, earnings per share on a fully-diluted basis were \$0.17 as compared to \$0.18 in the corresponding period last year.

For the year ended April 30, 2025, earnings per share on a fully-diluted basis were \$0.77 as compared to \$0.91 in the same period in 2024.

Operating Expenses

For the quarter ended April 30, 2025, selling and administrative expenses were \$20.7 million as compared to \$20.1 million for the quarter ended April 30, 2024.

For the year ended April 30, 2025, selling and administrative expenses were \$75.9 million as compared to \$72.3 million for the year ended April 30, 2024.

For the quarter ended April 30, 2025, gross research and development expenses were \$36.5 million as compared to \$36.7 million for the quarter ended April 30, 2024.

For the year ended April 30, 2025, gross research and development expenses were \$146.8 million as compared to \$134.8 million for the year ended April 30, 2024.

Liquidity and Capital Resources

The Company's working capital as at April 30, 2025 was \$206.9 million as compared to \$201.4 million on April 30, 2024.

Cash was \$111.7 million as at April 30, 2025 as compared to \$86.3 million on April 30, 2024.

Cash generated from operations was \$33.3 million for the quarter ended April 30, 2025 as compared to \$34.2 million cash generated for the quarter ended April 30, 2024. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$17.7 million from operations for the quarter ended April 30, 2025 compared to \$19.6 million for the same period last year.

Cash generated by operations was \$98.9 million for the 2025 fiscal year as compared to cash provided by operations of \$144.7 million for the 2024 fiscal year. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$79.6 million from operations for fiscal 2025 as compared to \$95.4 million for fiscal 2024.

For the quarter, the Company used \$2.0 million for investing activities.

For the year, the Company used \$6.7 million in investing activities which was principally driven by the acquisition of property, plant and equipment for \$7.9 million and partly offset by the disposal of property, plant and equipment for \$1.0 million.

For the quarter ended, the Company used cash in financing activities of \$18.7 million which was principally a result of the payment of dividends of \$15.2 million.

For the year ended April 30, 2025, the Company used cash in financing activities of \$71.4 million which was principally a result of the payment of dividends of \$60.1 million.

Shipments and Backlog

At the end of May 2025, purchase order backlog was in excess of \$259 million and shipments during the month of May 2025 were \$26 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on June 25, 2025 of \$0.20 per share.

The dividend is payable to shareholders of record on July 4, 2025 and will be paid on or about July 11, 2025.

Selected Consolidated Financial Information

(in thousands of dollars, except earnings per share and percentages)

	Three month period ended April 30,		Twelve month period ended April 30,	
	2025	2024	2025	2024
Revenue	\$ 127,805	\$ 122,770	\$ 501,623	\$ 514,616
Cost of goods sold	48,920	50,115	203,118	212,173
Gross margin	78,885	72,655	298,505	302,443
Expenses				
Selling and administrative	20,684	20,114	75,858	72,274
General	1,348	1,284	5,249	4,672
Research and development	36,534	36,719	146,771	134,843
Investment tax credits	(4,747)	(4,114)	(15,626)	(14,708)
Share based compensation	1,203	1,244	4,959	5,120
Foreign exchange loss (gain)	4,459	(2,133)	(218)	(154)
	59,481	53,114	216,993	202,047
Earnings before undernoted	19,404	19,541	81,512	100,396
Finance income	706	577	2,779	1,661
Finance costs	(463)	(311)	(1,567)	(1,353)
Net loss on investments through profit and loss	(1,283)	-	(1,283)	(2,704)
Other income and expenses	214	(238)	463	(642)
Earnings before income taxes	18,578	19,569	81,904	97,358
Provision for (recovery of) income taxes				
Current	6,537	5,563	24,918	26,044
Deferred	(1,002)	145	(2,781)	287
	5,535	5,708	22,137	26,331
Net earnings for the period	\$ 13,043	\$ 13,861	\$ 59,767	\$ 71,027
Net earnings attributable to non-controlling interest	38	97	374	857
Net earnings attributable to shareholders	13,005	13,764	59,393	70,170
Net earnings for the period	\$ 13,043	\$ 13,861	\$ 59,767	\$ 71,027
Earnings per share				
Basic	\$ 0.17	\$ 0.19	\$ 0.78	\$ 0.92
Diluted	\$ 0.17	\$ 0.18	\$ 0.77	\$ 0.91

	April 30, 2025	April 30, 2024	April 30, 2023
Assets			
Current assets			
Cash and cash equivalents	\$ 111,665	\$ 86,325	\$ 12,468
Trade and other receivables	71,743	84,350	106,871
Contract assets	15,568	12,554	11,032
Prepaid expenses	9,677	11,179	10,319
Inventories	181,011	206,154	202,479
Income tax receivable	1,649	-	-
	391,313	400,562	343,169
Property, plant and equipment	32,211	34,384	34,730
Right-of-use assets	15,816	20,432	20,396
Goodwill	20,001	21,352	21,333
Intangible assets	346	1,098	2,125
Investments	-	-	8,160
Deferred income taxes	9,798	6,894	6,739
	\$ 469,485	\$ 484,722	\$ 436,652
Liabilities			
Current liabilities			
Bank Indebtedness	\$ -	\$ -	\$ 5,928
Trade and other payables	67,982	63,249	75,521
Provisions	5,269	4,946	5,104
Deferred revenue	102,273	119,597	69,827
Current portion of lease obligations	5,091	4,296	4,060
Current portion of redemption liability	3,798	3,811	3,711
Income tax payable	-	3,226	7,590
	184,413	199,125	171,741
Long term lease obligations	13,781	18,920	18,827
	198,194	218,045	190,568
Equity			
Capital stock	144,978	145,721	143,344
Share based payment reserve	24,195	19,246	14,697
Accumulated other comprehensive income	6,568	1,197	(2,402)
Retained earnings	92,382	97,103	87,460
	98,950	98,300	85,058
Total equity attributable to shareholders	268,123	263,267	243,099
Non-controlling interest	3,168	3,410	2,985
	271,291	266,677	246,084
	\$ 469,485	\$ 484,722	\$ 436,652

Forward-Looking Statements

The report contains forward-looking statements reflecting Evertz's objectives, estimates and expectations. Such forward looking statements use words such as "may", "will", "expect", "believe", "anticipate", "plan", "intend", "project", "continue" and other similar terminology of a forward-looking nature or negatives of those terms.

Although management of the Company believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors. Accordingly, there are or will be a number of significant factors which could cause the Company's actual results, performance or achievements, or industry results to be materially different from any future results performance or achievements expressed or implied by such forward-looking statements.

Conference Call

The Company will hold a conference call with financial analysts to discuss the results on June 25, 2025 at 5:00 p.m. (EDT). Media and other interested parties are invited to join the conference call in listen-only mode. The conference call may be accessed by dialing 289-514-5100 or toll-free (North America) 1-800-717-1738.

For those unable to listen to the live call, a rebroadcast will also be available until July 25, 2025. The rebroadcast can be accessed at 289-819-1325 or toll-free 1-888-660-6264. The passcode for the rebroadcast is 05484#.

About Evertz

Evertz Technologies Limited (TSX: ET) designs, manufactures and markets video and audio infrastructure solutions for the television, telecommunications and new-media industries. The Company's solutions are purchased by content creators, broadcasters, specialty channels and television service providers to support their increasingly complex multi-channel digital, and high and ultra-high definition television ("HDTV" and "UHD") and next generation high bandwidth low latency IP network environments and by telecommunications and new-media companies. The Company's products allow its customers to generate additional revenue while reducing costs through efficient signal routing, distribution, monitoring and management of content as well as the automation and orchestration of more streamlined and agile workflow processes on premise and in the "Cloud".