

Attention Business/Financial Editors:

Evertz Technologies reports Record Quarterly Revenue of \$137 million in the Third Quarter ended January 31, 2025.

Burlington, March 5, 2025, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the third quarter ended January 31, 2025.

### Third Quarter 2025 Highlights

- Record Quarterly revenue of \$136.9 million, an increase of 9% or \$11.7 million sequentially
- Reoccurring software, services and other software revenue of \$55.7 million in the quarter, up 6% from the prior year
- Earnings from operations of \$28.1 million for the quarter, an increase of 8% from the prior year
- Net earnings of \$21.1 million for the quarter
- Fully diluted earnings per share of \$0.27 for the quarter

### Selected Financial Information

#### Consolidated Statement of Earnings Data

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

	<u>Q3 ' 25</u>	<u>Q3 ' 24</u>
Revenue	\$ 136,916	\$ 135,278
Gross margin	79,098	79,733
Earnings from operations	28,108	26,398
Net earnings	21,076	19,024
Fully-diluted earnings per share	\$ 0.27	\$ 0.24
Fully-diluted shares	76,860,180	76,878,395

### Selected Financial Information

#### Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q3 ' 25</u>	<u>YE' 24</u>
Cash and cash equivalents	\$ 96,280	\$ 86,325
Working capital	207,943	201,437
Total assets	472,210	484,722
Shareholders' equity	269,606	263,267

### Revenue

For the quarter ended January 31, 2025, revenues were \$136.9 million compared to revenues of \$135.3 million for the quarter ended January 31, 2024. For the quarter, revenues in the United States/Canada region were \$99.1 million compared to \$80.5 million in the same quarter last year. The International region had revenues of \$37.8 million compared to \$54.8 million in the same quarter last year.

### Gross Margin

For the quarter ended January 31, 2025, gross margin was \$79.1 million as compared to \$79.7 million in the same quarter last year. Gross margin percentage was approximately 57.8% as compared to 58.9% in the quarter ended January 31, 2024.

### Earnings

For the quarter ended January 31, 2025, net earnings were \$21.1 million as compared to \$19.0 million in the corresponding period last year.

For the quarter ended January 31, 2025, earnings per share on a fully-diluted basis were \$0.27 as compared to \$0.24 in the corresponding period last year.

### Operating Expenses

For the quarter ended January 31, 2025, selling and administrative expenses were \$19.2 million as compared to \$18.3 million for the quarter ended January 31, 2024.

For the quarter ended January 31, 2025, gross research and development expenses were \$36.6 million as compared to \$34.0 million for the quarter ended January 31, 2024.

### Liquidity and Capital Resources

The Company's working capital as at January 31, 2025 was \$207.9 million as compared to \$201.4 million on April 30, 2024.

Cash and cash equivalent \$96.3 million as at January 31, 2025 as compared to \$86.3 million in cash on April 30, 2024.

Cash generated from operations was \$53.0 million for the quarter ended January 31, 2025 as compared to \$30.2 million cash generated for the quarter ended January 31, 2024. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$27.2 million from operations for the quarter ended January 31, 2025 compared to \$25.0 million for the same period last year.

For the quarter, the Company used \$1.2 million for investing activities.

For the quarter ended, the Company used cash in financing activities of \$17.0 million which was principally a result of the payment of dividends of \$15.2 million.

### Shipments and Backlog

At the end of February 2025, purchase order backlog was in excess of \$269 million and shipments during the month of February 2025 were \$39 million.

### Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on March 5, 2025 of \$0.20 per share.

The dividend is payable to shareholders of record on March 13, 2025 and will be paid on or about March 20, 2025.

Selected Consolidated Financial Information  
(in thousands of dollars, except earnings per share and percentages)

	Three month period ended		Nine month period ended	
	January 31,		January 31,	
	2025	2024	2025	2024
Revenue	\$ 136,916	\$ 135,278	\$ 373,818	\$ 391,846
Cost of goods sold	57,818	55,545	154,198	162,058
Gross margin	79,098	79,733	219,620	229,788
Expenses				
Selling and administrative	19,198	18,262	55,174	52,160
General	1,318	1,056	3,901	3,388
Research and development	36,584	33,967	110,237	98,124
Investment tax credits	(3,529)	(3,987)	(10,879)	(10,594)
Share based compensation	1,314	1,197	3,756	3,876
Foreign exchange (gain) loss	(3,895)	2,840	(4,677)	1,979
	50,990	53,335	157,512	148,933
Earnings before undemoted	28,108	26,398	62,108	80,855
Finance costs	531	547	2,073	1,084
Finance income	(421)	(457)	(1,104)	(1,042)
Net loss on investments through profit and loss	-	-	-	(2,704)
Other (expenses) income	(62)	(526)	249	(404)
Earnings before income taxes	28,156	25,962	63,326	77,789
Provision for (recovery of) income taxes				
Current	7,505	6,045	18,381	20,481
Deferred	(425)	893	(1,779)	141
	7,080	6,938	16,602	20,622
Net earnings for the period	\$ 21,076	\$ 19,024	\$ 46,724	\$ 57,167
Net earnings attributable to non-controlling interest	161	302	336	760
Net earnings attributable to shareholders	20,915	18,722	46,388	56,407
Net earnings for the period	\$ 21,076	\$ 19,024	\$ 46,724	\$ 57,167
Earnings per share				
Basic	\$ 0.28	\$ 0.25	\$ 0.61	\$ 0.74
Diluted	\$ 0.27	\$ 0.24	\$ 0.60	\$ 0.73

Consolidated Balance Sheet Data

	As At	As At
	January 31, 2025	April 30, 2024
Cash and Cash Equivalents	\$ 96,280	\$ 86,325
Inventory	\$ 195,556	\$ 206,154
Working capital	\$ 207,943	\$ 201,437
Total assets	\$ 472,210	\$ 484,722
Shareholders' equity	\$ 269,606	\$ 263,267
Number of common shares outstanding:		
Basic	75,941,007	76,164,322
Fully-diluted	81,043,732	81,614,447
Weighted average number of shares outstanding:		
Basic	76,045,953	76,088,691
Fully-diluted	77,019,898	77,044,858

### 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 March 5, 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 Sunday, April 14, 2025. The rebroadcast can be accessed at 289-819-1325 or Toll-Free 1-888-660-6264. The pass code for the rebroadcast is 56369.

### 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".