

Attention Business/Financial Editors:

Evertz Technologies reports First Quarter results for the quarter ended July 31, 2025.

Burlington, September 10, 2025, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the first quarter ended July 31, 2025.

First Quarter 2026 Highlights

- Revenue of \$112.1 million, an increase from \$111.6 million in the prior year.
- Revenue to the US and Canada was \$79.5 million an increase of \$5.5 million or 7% from prior year
- Software and services revenue of \$51.6 million, representing 46% of total revenue in the quarter
- Gross Margin of 61.4%, compared to 59.4% in the prior year quarter
- Earnings from operations of \$15.0 million an increase of \$2.4 million or 19% from prior year
- Net earnings of \$11.9 million an increase of \$2.2 million or 22% from prior year.
- Fully diluted earnings per share of \$0.15 for the quarter

Selected Financial Information

Consolidated Statement of Earnings Data

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

	<u>Q1'26</u>	<u>Q1'25</u>
Revenue	\$ 112,145	\$ 111,643
Gross margin	68,842	66,262
Earnings from operations	14,984	12,609
Net earnings	11,894	9,711
Fully-diluted earnings per share	\$ 0.15	\$ 0.13
Fully-diluted shares	77,549,350	77,278,156

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q1 ' 26</u>	<u>YE' 25</u>
Cash and Cash Equivalents	\$ 124,309	\$ 111,665
Working capital	202,607	206,900
Total assets	488,318	469,485
Shareholders' equity	262,067	268,123

Revenue

For the quarter ended July 31, 2025, revenues were \$112.1 million, an increase of \$0.5 million compared to revenues of \$111.6 million for the quarter ended July 31, 2024. For the quarter, revenues in the United States/Canada region were \$79.5 million an increase of \$5.5 million compared to \$73.9 million in the same quarter last year. The International region had revenues of \$ 32.7 million, compared to \$37.7 million in the same quarter last year.

### Gross Margin

For the quarter ended July 31, 2025, gross margin was \$68.8 million as compared to \$66.2 million in the same quarter last year. Gross margin percentage was approximately 61.4% as compared to 59.4% in the quarter ended July 31, 2024.

### Earnings

For the quarter ended July 31, 2025, net earnings were \$11.9 million as compared to \$9.7 million in the corresponding period last year.

For the quarter ended July 31, 2025, earnings per share on a fully-diluted basis were \$0.15 as compared to \$0.13 in the corresponding period last year.

### Operating Expenses

For the quarter ended July 31, 2025, selling and administrative expenses were \$18.6 million as compared to \$17.6 million for the quarter ended July 31, 2024.

For the quarter ended July 31, 2025, gross research and development expenses were \$37.0 million as compared to \$37.4 million for the quarter ended July 31, 2024.

### Liquidity and Capital Resources

The Company's working capital as at July 31, 2025 was \$202.6 million as compared to \$206.9 million on April 30, 2025.

Cash was \$124.3 million as at July 31, 2025 as compared to \$111.6 million on April 30, 2025.

Cash generated from operations was \$33.5 million for the quarter ended July 31, 2025 as compared to \$22.3 million cash generated for the quarter ended July 31, 2024. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$16.8 million from operations for the quarter ended July 31, 2025 compared to \$13.3 million for the same period last year.

For the quarter, the Company used \$0.5 million for investing activities, which was principally driven by a by the acquisition of capital assets of \$ 1.4 million and partially offset by proceeds from disposal of capital assets of \$0.9 million.

For the quarter ended July 31, 2025, the Company used cash in financing activities of \$20.2 million which was principally driven by dividends paid of \$15.1 million, capital stock repurchase of \$3.8 million and lease payments of \$1.1 million.

### Shipments and Backlog

At the end of August 2025, purchase order backlog was in excess of \$252 million and shipments during the month of August 2025 were \$41 million.

### Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on September 10, 2025 of \$0.20 per share.

The dividend is payable to shareholders of record on September 18, 2025 and will be paid on or about September 25, 2025.

## Selected Consolidated Financial Information

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

	Three months ended		Three months ended	
	July 31, 2025		July 31, 2024	
Revenue	\$	112,145	\$	111,643
Cost of goods sold		43,303		45,381
Gross margin		68,842		66,262
Expenses				
Selling and administrative		18,624		17,604
General		1,267		1,281
Research and development		36,983		37,374
Investment tax credits		(3,348)		(3,760)
Share based compensation		1,068		1,175
Foreign exchange gain		(736)		(21)
		53,858		53,653
Earnings before undernoted		14,984		12,609
Finance income		775		705
Finance costs		(238)		(309)
Other income and expenses		500		210
Earnings before income taxes		16,021		13,215
Provision for (recovery of) income taxes				
Current		3,965		5,563
Deferred		162		(2,059)
		4,127		3,504
Net earnings for the period	\$	11,894	\$	9,711
Net earnings attributable to non-controlling interest	\$	52	\$	42
Net earnings attributable to shareholders		11,842		9,669
Net earnings for the period	\$	11,894	\$	9,711
Earnings per share				
Basic	\$	0.16	\$	0.13
Diluted	\$	0.15	\$	0.13
Consolidated Balance Sheet Data				
	As At		As At	
	July 31, 2025		April 30, 2025	
Cash and cash equivalents	\$	124,309	\$	111,665
Inventory	\$	182,494	\$	181,011
Working capital	\$	202,607	\$	206,900
Total assets	\$	488,318	\$	469,485
Shareholders' equity	\$	262,067	\$	268,123
Number of common shares outstanding:				
Basic		75,432,600		75,750,235
Fully-diluted		77,549,350		80,627,710
Weighted average number of shares outstanding:				
Basic		75,538,154		76,010,401
Fully-diluted		76,570,863		76,975,472

### 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 September 10, 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 October 10, 2025. The rebroadcast can be accessed at 289-819-1325 or toll-free 1-888-660-6264. The pass code for the rebroadcast is 75854.

### 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".