

Attention Business/Financial Editors:

Evertz Technologies reports Quarterly Revenue of \$132.7 million in the second quarter ended October 31, 2025.

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

Second Quarter 2026 Highlights

- Quarterly revenue of \$132.7 million, an increase of \$7.5 million or 6.0% from the prior year quarter
- International quarterly revenue of \$34.2 million up \$3.8 million or 12.5% from the prior year quarter
- Earnings from operations of \$25.0 million for the quarter, an increase of 17.0% from the prior quarter
- Net earnings of \$18.6 million for the quarter, an increase of 16.9% from the prior quarter
- Fully diluted earnings per share of \$0.24 for the quarter
- Regular quarterly dividend increased to \$0.205 per share
- Special dividend declared of \$1.00 per share.

Selected Financial Information

Consolidated Statement of Earnings Data

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

	<u>Q2 ' 26</u>	<u>Q2 ' 25</u>
Revenue	\$ 132,735	\$ 125,259
Gross margin	77,829	74,260
Earnings from operations	25,036	21,391
Net earnings	18,620	15,937
Fully-diluted earnings per share	\$ 0.24	\$ 0.21
Fully-diluted shares	77,523,650	77,077,835

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q2 ' 26</u>	<u>YE ' 25</u>
Cash and cash equivalents	\$ 96,695	\$ 111,665
Working capital	205,673	206,900
Total assets	466,690	469,485
Shareholders' equity	267,996	268,123

Revenue

For the quarter ended October 31, 2025, revenues were \$132.7 million an increase of \$7.5 million compared to revenues of \$125.3 million for the quarter ended October 31, 2024. For the quarter, revenues in the United States/Canada region were \$98.5 million an increase of \$3.7 million or 3.9% compared to \$94.8 million in the same quarter last year. The International region had revenues of \$34.2 million, an increase of \$3.8 million or 12.5% compared to \$30.4 million in the same quarter last year.

Gross Margin

Gross margin for the second quarter ended October 31, 2025 was \$77.8 million, compared to \$74.3 million for the second quarter ended October 31, 2024. As a percentage of revenue, the gross margin was 58.6% for the second quarter ended October 31, 2025 compared to 59.3% for the second quarter ended October 31, 2024.

Earnings

For the quarter ended October 31, 2025, net earnings were \$18.6 million or an increase of 16.9% compared to \$15.9 million in the corresponding period last year.

For the quarter ended October 31, 2025, earnings per share on a fully-diluted basis were \$0.24 as compared to \$0.21 in the corresponding period last year.

Operating Expenses

For the quarter ended October 31, 2025, selling and administrative expenses were \$19.1 million as compared to \$18.4 million for the quarter ended October 31, 2024.

For the quarter ended October 31, 2025, gross research and development expenses were \$36.6 million as compared to \$36.3 million for the quarter ended October 31, 2024.

Liquidity and Capital Resources

The Company's working capital as at October 31, 2025 was \$205.6 million as compared to \$206.9 million on April 30, 2025.

Cash and cash equivalent was \$96.7 million as at October 31, 2025 as compared to \$111.7 million on April 30, 2025.

Cash used from operations was \$5.0 million for the quarter ended October 31, 2025 as compared to \$9.7 million cash used for the quarter ended October 31, 2024. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$25.6 million from operations for the quarter ended October 31, 2024 compared to \$21.8 million for the same period last year.

For the quarter, the Company used \$6.3 million from investing activities which includes the purchase of land and building for \$3.0 million

For the quarter ended, the Company used cash in financing activities of \$17.5 million which was principally a result of the payment of dividends of \$15.4 million.

Shipments and Backlog

At the end of November 2025, purchase order backlog was in excess of \$240 million and shipments during the month of November 2025 were \$46 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on December 10, 2025 of \$0.205 per share.

The dividend is payable to shareholders of record on December 18, 2025 and will be paid on or about December 24, 2025.

Special Dividend

Evertz Board of Directors declared a special dividend on December 10, 2025 of \$1.00. The dividend is payable to shareholders of record on December 18, 2025 and will be paid on or about December 24, 2025.

The Special dividend reflects both the strong long-term operational performance of the Company and its solid balance sheet, thereby enabling a distribution of cash over and above what is considered necessary to meeting known commitments and maintain adequate reserves.

Selected Consolidated Financial Information

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

	Three month period ended October 31,		Six month period ended October 31,	
	2025	2024	2025	2024
Revenue	\$ 132,735	\$ 125,259	\$ 244,880	\$ 236,902
Cost of goods sold	54,906	50,999	98,209	96,380
Gross margin	77,829	74,260	146,671	140,522
Expenses				
Selling and administrative	19,102	18,372	37,726	35,976
General	1,268	1,302	2,535	2,583
Research and development	36,635	36,279	73,618	73,653
Investment tax credits	(4,350)	(3,590)	(7,697)	(7,350)
Share based Compensation	914	1,267	1,982	2,442
Foreign exchange gain	(776)	(761)	(1,512)	(782)
	52,793	52,869	106,652	106,522
Earnings before undernoted	25,036	21,391	40,019	34,000
Finance income	642	837	1,417	1,542
Finance costs	(620)	(374)	(858)	(683)
Other income	188	101	688	311
Earnings before income taxes	25,246	21,955	41,266	35,170
Provision for (recovery of) income taxes				
Current	4,956	5,313	8,921	10,876
Deferred	1,670	705	1,832	(1,354)
	6,626	6,018	10,753	9,522
Net earnings for the period	\$ 18,620	\$ 15,937	\$ 30,513	\$ 25,648
Net earnings attributable to non-controlling interest	93	133	145	175
Net earnings attributable to shareholders	18,527	15,804	30,368	25,473
Net earnings for the period	\$ 18,620	\$ 15,937	\$ 30,513	\$ 25,648
Earnings per share				
Basic	\$ 0.25	\$ 0.21	\$ 0.40	\$ 0.33
Diluted	\$ 0.24	\$ 0.21	\$ 0.40	\$ 0.33
Consolidated Balance Sheet Data	As at October 31, 2025		As at April 30, 2025	
Cash and cash equivalents	\$	96,695	\$	111,665
Inventory	\$	182,696	\$	181,011
Working capital	\$	205,673	\$	205,900
Total assets	\$	466,690	\$	469,485
Shareholders' equity	\$	267,996	\$	268,123
Number of common shares outstanding:				
Basic		75,484,550		75,750,235
Fully-diluted		77,523,650		80,627,710
Weighted average number of shares outstanding:				
Basic		75,495,006		76,010,401
Fully-diluted		76,589,935		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 December 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 1-289-514-5100 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 January 6, 2025. The rebroadcast can be accessed at 1-289-819-1325 or Toll Free 1-800-660-6264, passcode 56182.

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".