Consolidated financial statements of

EVERTZ TECHNOLOGIES LIMITED

As at April 30, 2024 and April 30, 2023

EVERTZ TECHNOLOGIES LIMITED

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Consolidated financial statements
Years ended April 30, 2024 and 2023

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Independent Auditor's Report

To the Shareholders of Evertz Technologies Limited

Opinion

We have audited the consolidated financial statements of Evertz Technologies Limited ("Evertz" or the "Company"), which comprise the consolidated statements of financial position as at April 30, 2024 and 2023, and the consolidated statements of earnings, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at April 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Description of the Key Audit Matter

The Company generates revenue through the sale of hardware, software solutions, services, warranty as well as a combination of these revenue streams. The Company's contracts with customers involve multiple performance obligations. Determining whether the products and services represent distinct performance obligations, the allocation of the transaction fee to the performance obligations and, for certain performance obligations in certain arrangements, whether to recognize revenue at a point in time or over time may require significant management judgment.

We identified revenue recognition as a key audit matter. Significant auditor judgment and effort, involving more senior professionals, was required to evaluate the results of our audit procedures regarding the Company's significant judgments in identifying distinct performance obligations and whether to recognize the related revenue over time or at a point in time.

Please refer to notes 2 and 15 to the consolidated financial statements for details on the Company's Use of Estimates and Judgments and accounting policies related to revenue recognition.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures to address the Key Audit Matter included, but were not limited to, the following:

- Obtaining, reading and understanding the terms of a sample of contracts entered into during the year.
- For a sample of revenue transactions recognized during the year, we performed the following:
  - We agreed key contractual terms back to signed contracts, including contract amendments and correspondence with customers, where applicable;
  - Assessed the Company's determination of the distinct performance obligation by examining the contract source documents;
  - We assessed the Company's determination of the allocation of the transaction fee to the performance obligation based on the standalone selling price for the performance obligation; and
  - We obtained evidence of the Company's satisfaction of the performance obligation to the customers and assessed the Company's determination of whether to recognize the related revenues over time or at a point in time based on the terms of the agreements and the nature of the performance obligation rendered.

Other Information

Management is responsible for the other information. The other information comprises:

- The information included in the Management Discussion and Analysis, and
- The information, other than the financial statements and our auditor's report thereon, included in the Annual Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Jamie Barron.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
June 19, 2024

EVERTZ TECHNOLOGIES LIMITED

Consolidated Statements of Financial Position

As at April 30, 2024 and April 30, 2023
(In thousands of Canadian dollars)

		April 30, 2024		April 30, 2023
Assets				
Current assets				
Cash and cash equivalents	$	86,325	$	12,468
Trade and other receivables (note 3)		84,350		106,871
Contract assets		12,554		11,032
Prepaid expenses		11,179		10,319
Inventories (note 4)		206,154		202,479
		400,562		343,169
Property, plant and equipment (note 5)		34,384		34,730
Right-of-use assets (note 6)		20,432		20,396
Goodwill (note 7)		21,352		21,333
Intangibles (note 8)		1,098		2,125
Investments (note 9)		-		8,160
Deferred income taxes (note 27)		6,894		6,739
	$	484,722	$	436,652
Liabilities				
Current liabilities				
Bank Indebtedness (note 12)	$	-	$	5,928
Trade and other payables		63,249		75,521
Provisions (note 10)		4,946		5,104
Deferred revenue		119,597		69,827
Current portion of lease obligations (note 11)		4,296		4,060
Redemption liability (notes 13)		3,811		3,711
Income tax payable (note 27)		3,226		7,590
		199,125		171,741
Long-term lease obligations (note 11)		18,920		18,827
		218,045		190,568
Equity				
Capital stock (note 14)		145,721		143,344
Share based payment reserve		19,246		14,697
Accumulated other comprehensive loss		1,197		(2,402)
Retained earnings		97,103		87,460
		98,300		85,058
Total equity attributable to shareholders		263,267		243,099
Non-controlling interest (note 24)		3,410		2,985
		266,677		246,084
	$	484,722	$	436,652

See accompanying notes to the consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Consolidated Statements of Changes in Equity

Years ended April 30, 2024 and 2023
(In thousands of Canadian dollars)

	Capital stock	Share-based payment reserve	Accumulated other comprehensive earnings	Retained earnings	Total equity attributable to shareholders	Non-controlling interest	Total Equity
Balance at April 30, 2022	**$ 143,502**	**$ 10,893**	**$ (4,093)**	**$ 80,636**	**$ 230,938**	**$ 2,710**	**$ 233,648**
Net earnings for the year	-	-	-	64,032	64,032	523	64,555
Unrealized loss on an FVTOCI investments, net of tax (note 9)	-	-	(1,595)	-	(1,595)	-	(1,595)
Foreign currency translation adjustment	-	-	3,286	-	3,286	177	3,463
Total comprehensive earnings for the year	$ -	$ -	$ 1,691	$ 64,032	$ 65,723	$ 700	$ 66,423
Dividends declared	-	-	-	(56,392)	(56,392)	(425)	(56,817)
Share based compensation expense (note 19)	-	3,804	-	-	3,804	-	3,804
Repurchase of common shares (note 14)	(158)	-	-	(816)	(974)	-	(974)
Balance at April 30, 2023	**$ 143,344**	**$ 14,697**	**$ (2,402)**	**$ 87,460**	**$ 243,099**	**$ 2,985**	**$ 246,084**
Net earnings for the year	-	-	-	70,170	70,170	857	71,027
Unrealized loss on an FVTOCI investments, net of tax (note 9)	-	-	(1,131)	-	(1,131)	-	(1,131)
Transfer of earnings on disposal of investments (note 9)	-	-	2,704	-	2,704	-	2,704
Foreign currency translation adjustment	-	-	2,026	-	2,026	(32)	1,994
Total comprehensive earnings for the year	$ -	$ -	$ 3,599	$ 70,170	$ 73,769	$ 825	$ 74,594
Dividends declared	-	-	-	(58,596)	(58,596)	(400)	(58,996)
Issued on exercise of employee stock options (note 14)	2,456	-	-	-	2,456	-	2,456
Transfer of stock options (note 14)	260	(260)	-	-	-	-	-
Share based compensation expense (note 19)	-	4,809	-	-	4,809	-	4,809
Repurchase of common shares (note 14)	(339)	-	-	(1,931)	(2,270)	-	(2,270)
Balance at April 30, 2024	**$ 145,721**	**$ 19,246**	**$ 1,197**	**$ 97,103**	**$ 263,267**	**$ 3,410**	**$ 266,677**

See accompanying notes to the consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Consolidated Statements of Earnings

Years ended April 30
(In thousands of Canadian dollars, except per share amounts)

		2024		2023
Revenue (notes 15 and 22)	$	514,616	$	454,578
Cost of goods sold		212,173		186,320
Gross margin		302,443		268,258
Expenses				
Selling, administrative and general (note 16)		77,494		66,760
Research and development (note 17)		139,415		121,251
Investment tax credits		(14,708)		(13,415)
Foreign exchange gain		(154)		(1,966)
		202,047		172,630
		100,396		95,628
Finance income		1,661		376
Finance costs		(1,353)		(3,718)
Net loss on investments through profit and loss (note 9)		(2,704)		(5,364)
Other income		(642)		888
Earnings before income taxes		97,358		87,810
Provision for (recovery of) income taxes				
Current (note 27)		26,044		25,066
Deferred (note 27)		287		(1,811)
		26,331		23,255
Net earnings for the year	$	71,027	$	64,555
Net earnings attributable to non-controlling interest (note 24)	$	857	$	523
Net earnings attributable to shareholders		70,170		64,032
Net earnings for the year	$	71,027	$	64,555
Earnings per share (note 26)				
Basic	$	0.92	$	0.84
Diluted	$	0.91	$	0.84

See accompanying notes to the consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Consolidated Statements of Comprehensive Earnings

Years ended April 30
(In thousands of Canadian dollars)

		2024		2023
Net earnings for the year	$	71,027	$	64,555
Other comprehensive earnings (loss)				
Items that may or will be reclassified to earnings:				
Unrealized loss on investments, net of tax (note 9)		(1,131)		(1,595)
Reclassification to net earnings for loss on sale of FVTOCI investments, net of tax (note 9)		2,704		-
Foreign currency translation adjustment		1,994		3,463
Comprehensive earnings	$	74,594	$	66,423
Comprehensive earnings attributable to non-controlling interest	$	825	$	700
Comprehensive earnings attributable to shareholders		73,769		65,723
Comprehensive earnings	$	74,594	$	66,423

See accompanying notes to the consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Consolidated Statements of Cash Flows

Years ended April 30
(In thousands of Canadian dollars)

		2024		2023
Operating activities				
Net earnings for the year	$	71,027	$	64,555
Add: Items not involving cash				
Depreciation of property, plant and equipment (note 5)		9,721		10,851
Amortization of right-of-use assets (note 6)		4,658		4,714
Amortization of intangibles (note 8)		1,028		1,238
Gain on disposal of property, plant and equipment (note 5)		(84)		(8)
Realized loss on investments		2,704		5,978
Share-based compensation (note 19)		4,809		3,803
Interest expense		1,247		2,165
Deferred income tax expense (note 27)		287		(1,754)
		95,397		91,542
Current tax expenses, net of investment tax credits (note 27)		11,381		11,248
Income taxes paid		(15,530)		(12,252)
Changes in non-cash working capital items (note 18)		53,426		(36,724)
Cash provided by operating activities		144,674		53,814
Investing activities				
Acquisition of property, plant and equipment (note 5)		(9,559)		(6,572)
Proceeds from disposal of property, plant and equipment		114		60
Acquisition of investments (note 9)		-		(14,386)
Proceeds from disposal of investments (note 9)		7,183		3,779
Cash used in investing activities		(2,262)		(17,119)
Financing activities				
Proceeds from credit facility (note 12)		-		5,928
Repayment of credit facility (note 12)		(5,928)		-
Principle payments of lease liabilities (note 11)		(4,326)		(4,283)
Interest paid		(1,147)		(1,877)
Dividends paid		(58,596)		(56,392)
Dividends paid by subsidiaries to non-controlling interests		(400)		(425)
Capital stock repurchased (note 14)		(2,270)		(974)
Capital stock issued (note 14)		2,456		-
Cash used in financing activities		(70,211)		(58,023)
Effect of exchange rates on cash and cash equivalents		1,656		(106)
Increase (decrease) in cash and cash equivalents		73,857		(21,434)
Cash and cash equivalents beginning of year		12,468		33,902
Cash and cash equivalents end of year	$	86,325	$	12,468

See accompanying notes to the consolidated financial statements.

Evertz Technologies Limited (“Evertz” or the “Company”) is incorporated under the *Canada Business Corporations Act*. The Company is incorporated and domiciled in Canada and the registered head office is located at 5292 John Lucas Drive, Burlington, Ontario, Canada. The Company is a leading supplier of software, equipment and technology solutions to content creators, broadcasters, specialty channels and television service providers. The Company designs, manufactures and distributes video and audio infrastructure solutions for the production, post–production, broadcast and telecommunications markets.

1. STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were authorized for issue by the Board of Directors on June 19, 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Measurement

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are stated at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Company’s parent company functional currency. Each subsidiary of the Company determines its own functional currency based on the primary economic environment in which the subsidiary operates. All financial information presented in Canadian dollars has been rounded to the nearest thousand, except per share amounts.

Basis of Consolidation

These financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor’s returns.

The results of subsidiaries acquired or disposed of are included in the consolidated statements of earnings and comprehensive earnings from the effective date of acquisition of control and up to the effective date of disposal of control, as appropriate. Total comprehensive earnings of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-Company transactions, balances, income and expenses are eliminated in full on consolidation.

Business Combinations

Business combinations are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of acquisition, of assets transferred, liabilities incurred or assumed, and equity instruments issued by the Company. The acquiree's identifiable assets and liabilities assumed are recognized at their fair value at the acquisition date. Acquisition-related costs are recognized in earnings as incurred. Any contingent consideration is measured at fair value on date of the acquisition and is included as part of the consideration transferred. The fair value of the contingent consideration liability is re-measured at each reporting date with corresponding gain/loss recognized in earnings. The excess of the consideration over the fair value of the net identifiable assets and liabilities acquired is recorded as goodwill.

On an acquisition by acquisition basis, any non-controlling interest is measured either at the fair value of the non-controlling interest or at the fair value of the proportionate share of the net identifiable assets acquired. Where the non-controlling interest holds a put option that can be settled by a fixed amount of cash, in connection with their remaining shares, the fair value of the put option is recognized as a financial redemption liability. In such a case, the non-controlling interest is deemed to have been acquired at the acquisition date and a financial redemption liability is recorded instead of a non-controlling interest. Options that are not exercisable for at least one year are presented as non-current liabilities. Subsequent measurement of the redemption liability is recorded using the effective interest rate method and recognized in the statement of earnings while no earnings are attributed to the non-controlling interest.
Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Revenue Recognition

Revenue is measured using a five-step recognition model which includes; 1) identifying the contract(s) with the customer; 2) identifying the separate performance obligations in the contract; 3) determining the transaction price; 4) allocating the transaction price to separate performance obligations; and 5) recognizing revenue when (or as) each performance obligation is satisfied.

Step 1: Identifying the contract
Before recognizing revenue, the Company reviews customer contracts to ensure each party's rights and payment terms are identified, there is commercial substance, and that it is probable that the Company will collect the consideration in exchange for the goods or services as stated in the contract. The Company may enter into multiple contracts with the same customer. The Company uses judgement in evaluating whether various contracts are interrelated, which includes considerations as to whether they were negotiated as a package with a single commercial objective, whether the amount of consideration on one contract is dependent on the performance of the other contract, or if some or all goods and services in the contracts are a single performance obligation. New arrangements with existing customers can be either be treated as a new contract or the modification of prior contracts with the customer. The Company uses judgment in making this determination, considering whether there is a connection between the new arrangement and the pre-existing contract, whether the goods and services under the new arrangement are highly interrelated with the goods and services sold under prior contracts, and how the goods and services under the new arrangement are priced. In determining whether a transaction price represents a contract modification or a change in variable consideration, the Company examines whether the change in price results from changing the contract or from applying unchanged existing contract provisions.

Step 2: Identifying performance obligations
The Company regularly sells hardware and software solutions with related services. Software solutions including both, right to access and right to use term based and perpetual licenses and stand-alone software solutions services. Services include training and commissioning, warranty, maintenance and support and other professional services. A customer contract typically lists items separately with distinct item descriptions, quantities, and prices. If a contract contains a bundle of items priced together at a single price, the Company analyzes the contract to identify distinct performance obligations within the bundle. The Company uses judgment in determining whether a good or service, such as commissioning is considered separate performance obligations or are combined into one distinct performance obligation.

Step 3: Determining the transaction price
Transaction prices are typically the prices stated on the purchase orders or contracts, net of discounts. The Company reviews customer contracts for any variable considerations, existence of significant financing components and payables to customers, and adjusts transaction prices accordingly. Variable consideration is estimated and included in the transaction price based on the most likely amount to be received. The Company does not account for significant financing components if the period between when the Company transfers the promised goods or services to the customer and when the customer pays for those goods or services is one year or less.

Step 4: Allocating the transaction price to performance obligations
If a customer contract includes multiple performance obligations, the transaction price is allocated to each performance obligation based on its relative stand-alone selling price. If a stand-alone selling price is not directly observable, the Company estimates the stand-alone selling price of individual elements, based on prices at which the deliverable is regularly sold on a stand-alone basis after considering specific discounts where appropriate.

Step 5: Recognizing revenue upon satisfaction of performance obligations
The timing of revenue recognition is based on when a customer obtains control of the asset. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset. The Company reviews customer contracts and the nature of the performance obligations to determine if a performance obligation is satisfied over time or at a point in time, and recognizes revenue accordingly.

Revenue from sales of hardware are recognized upon shipment, provided that the significant risks and rewards of ownership have been transferred to the customer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue can be reliably measured and its probable that the economic benefits will flow to the Company.

Revenue from software solutions are recognized either over a period of time or at a point in time depending on the contractual terms of the contract identified and the specific performance obligations identified therein. For performance obligations recognized at a point in time, revenue is recognized following the transfer of control or the Company has objective evidence that criteria for acceptance has been satisfied. For performance obligations satisfied over time, the Company measures the progress using the output method, measuring progress toward satisfaction of the performance obligation.

Revenue from services is recognized as services are performed and warranty and maintenance revenue is recognized ratably over the period of service.

Certain of the Company’s hardware and software solutions contracts are long-term in nature, and the Company measures the progress using either an input or output method, depending on which yields the most reliable estimate. For construction type contracts, where estimated total costs and the outcome of the contract can be assessed reliably, the Company recognizes revenue over time, based on costs incurred relative to the estimated total contract costs. When the outcome of the contract cannot be assessed reliably, contract costs incurred are immediately expensed and revenue is recognized only to the extent that costs are considered likely to be recovered. For software solutions that require significant customization, where the direct measurement of value to the customer results in the best estimate and criteria for recognition over time is met, the Company recognizes revenue over time based on value provided to the customer to date. Revenue recognized in excess of billings are recorded as contract assets, while billings in excess of revenue recognized is recorded as deferred revenue.

Customer contacts have a variety of different payment terms. Contract assets are recognized when revenue is recognized in excess of billings or when the Company has a right to consideration and that right is conditional to something other than the passage of time. Contract assets are subsequently transferred to accounts receivable when the right to payment becomes unconditional. This usually occurs when the Company issues an invoice to the customer. Contract assets are adjusted for expected credit losses.

Deferred revenue relates to advance consideration received from customers in excess of revenue recognized under the contract. During the year, the Company recognized $49,936 in revenue that was recognized as deferred revenue at the beginning of the year (2023 – $55,020).

Finance Income

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in the bank, net of outstanding bank overdrafts.

Inventories

Inventories consist of raw materials and supplies, work in progress and finished goods. Inventories are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes raw materials, the cost of direct labour applied to the product and the overhead expense.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognized impairment loss. Where the costs of certain components of an item of property, plant and equipment are significant in relation to the total cost of the item, they are accounted for and depreciated separately. Depreciation expense is calculated based on depreciable amounts which is the cost of an asset less residual value and is recognized in earnings on a straight-line basis over the estimated useful life of the related asset. Borrowing costs are capitalized to the cost of qualifying assets that take a substantial period of time to be ready for their intended use.

The estimated useful lives are as follows:

Asset	**Basis**	**Rate**
Office furniture and equipment	Straight-line	10 years
Research and development equipment	Straight-line	5 years
Machinery and equipment	Straight-line	5 - 15 years
Leaseholds	Straight-line	5 years
Building	Straight-line	10 - 40 years
Airplanes	Straight-line	10 - 20 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in earnings.

The Company reviews the residual value, estimated useful life and the depreciation method at least annually.

Impairment of Non-Financial Assets

Goodwill is tested for impairment annually, or whenever events or changes in circumstances indicate that the carrying amount may be more than its recoverable amount. At each reporting period, the Company reviews the carrying amounts of its other non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash inflows that are largely independent from other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Goodwill is allocated to a group of CGU's based on the level at which it is monitored for internal reporting purposes.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss relating to a CGU to which goodwill has been allocated, is allocated to the carrying amount of the goodwill first. An impairment loss is recognized immediately in earnings.

An impairment loss in respect of goodwill is not reversed. Where an impairment loss subsequently reverses for other non-financial assets, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in earnings.

Intangible Assets

Intangible Assets

Intangible assets represent intellectual property acquired through business acquisitions and are recorded at cost less any impairment loss and are amortized using the straight–line method over a five–year period. The estimated useful life and amortization method are reviewed at the end of each reporting period.

Research and Development

All research and development expenditures are expensed as incurred unless a development project meets the criteria for capitalization. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. No internally generated intangible assets have been recognized to date.

Research and development expenditures are recorded gross of investment tax credits and related government grants. Investment tax credits for scientific research and experimental development are recognized in the period the qualifying expenditures are incurred if there is reasonable assurance that they will be realized.

Investment in an Associate

Investments in an Associate are entities in which the Company has significant influence over, but not have control or joint control over the financial and operating policies. Investments in an Associate are accounted for using the equity method. Under the equity method, the initial investment is recognized at cost, which includes transaction costs. Subsequent to initial recognition, the carrying amount is increased or decreased in recognition of the Company's share of the profit or loss after the date of acquisition, until the date on which significant influence ceases.

At the end of each reporting period, the Company also reviews the carrying amounts of Investments in an Associate to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the carrying amount of such investment is compared to its recoverable amount, being the higher of its fair value less costs of disposal and value-in-use. If the recoverable amount of an investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss, being the excess of carrying amount over the recoverable amount, is recognized immediately. When an impairment loss reverses in a subsequent period, the carrying amount of the investment is increased to the revised estimate of recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Leasing

At inception of a contract, the Company assesses whether that contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company records a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, consisting of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or restore the site on which it is located; less any lease incentives received.

The right-of-use asset is depreciated on a straight-line basis over the lease term. The lease term consists of the non-cancellable period of the lease; periods covered by options to extend the lease, where the Company is reasonably certain to exercise the option; and periods covered by options to terminate the lease, where the Company is reasonably certain not to exercise the option. The right-of-use asset is adjusted for remeasurement of lease liabilities resulting from a change in future lease payments arising from a change in rate or a change in the assessment of whether an extension or termination options will be exercised.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company generally use their incremental borrowing rate as the interest rate implicit in our leases cannot be readily determined. The lease liability is subsequently measured at amortized cost using the effective interest rate method. After the commencement date, the lease liability is remeasured if there is a modification, including a change in the lease term. Certain leases require us to make payments that relate to property taxes, insurance, and other non-rental costs. These non-rental costs are typically variable and are not included in the calculation of the right-of-use asset or lease liability.

Foreign Currency Translation

The individual financial statements of each subsidiary entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are presented in Canadian dollars ("CDN"), which is the functional currency of the parent Company and the presentation currency for the financial statements.

Note #2 continued ...

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognized in earnings in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are expressed in Canadian dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Foreign currency gains and losses are recognized in other comprehensive earnings. The relevant amount in cumulative foreign currency translation adjustment is reclassified into earnings upon disposition or partial disposition of a foreign operation and attributed to non-controlling interests as appropriate.

Income Taxes

Current Tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net earnings as reported in the statement of earnings because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on unused tax losses and credits, as well as differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which unused tax losses, credits and other deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is charged or credited to earnings, except when it relates to items charged or credited directly to other comprehensive earnings or equity, in which case the deferred tax is also dealt with in other comprehensive earnings or equity.

Share Based Compensation

Equity settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share based transactions are set out in note 19.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight-line basis over the vesting period of the option based on the Company's estimate of the number of equity instruments that will eventually vest. At each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in earnings such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share based payment reserve.

Cash settled share based compensation to employees, including restricted share units, or others providing similar services are measured at the fair value of the instruments at the grant date. The fair value is recognized as an expense with a corresponding increase in liabilities over the vesting period of the option grant. At each reporting period, the Company revises its estimate of fair value and the number of instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in earnings such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to liabilities.

Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the net earnings attributable to shareholders by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the net earnings attributable to shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares, which is comprised of share options granted to employees with an exercise price below the average market price.

Finance Costs

Finance costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other finance costs are recognized in earnings in the period in which they are incurred.

Investment Tax Credits

The Company is entitled to investment tax credits, which are earned as a percentage of eligible research and development expenditures incurred in each taxation year. Investment tax credits relate entirely to the Company's research and development expenses in the consolidated statements of earnings but are presented separately in the consolidated statements of earnings for information purposes. Investment tax credits are recognized and recorded within income tax receivable or as a reduction of income tax payable, when there is reasonable assurance they will be received.

Financial Instruments

The Company's financial assets and liabilities which are initially recorded at fair value and subsequently measured based on their assigned classifications as follows:

Assets/Liabilities	**Classification**
Cash and cash equivalents	Amortized Cost
Trade and other receivables	Amortized Cost
Investments in public companies	Fair value through other comprehensive income
Investments in private companies	Fair value through profit and loss
Bank Indebtedness	Amortized Cost
Trade and other payables, excluding RSUs	Amortized Cost
Cash based RSU liability	Fair value through profit and loss
Redemption liability	Amortized Cost

Financial Assets
All financial assets are initially measured at fair value, plus transaction costs. Transaction costs in respect of financial instruments that are classified as fair value through profit or loss are recognized in earnings immediately. Transaction costs in respect of other financial instruments are included in the initial measurement of the financial instrument.

Financial assets are classified into the following specific categories: financial assets "at fair value through profit or loss" ("FVTPL"), "fair value through other comprehensive income ("FVTOCI")" and "amortized cost". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in earnings. Financial assets at FVTOCI are stated at fair value, with any gains or losses arising on re-measurement recognized in other comprehensive earnings. Where financial assets at FVTOCI are derecognized, the gains or losses previously recognized in other comprehensive earnings is reclassified from other comprehensive earnings to earnings.

Impairment of Financial Assets
Financial assets, other than those at FVTPL and FVTOCI, are assessed for indicators of impairment at the time of initial recognition and at each reporting period. The Company measures a loss allowance based on the lifetime expected credit losses. Lifetime expected credit losses are estimated based on factors such as the Company's past experience of collecting payments, observable changes in national or local economic conditions that correlated with default on receivables, financial difficulties of the borrower, and it becoming probable that the borrow will either enter bankruptcy or financial reorganization. Financial assets are written off when there is no reasonable expectation of recovery.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. A trade receivable is considered impaired if it is probable that a customer will not pay all amounts due. When a trade receivable is considered impaired, it is recorded in the allowance account. Subsequent recoveries of amounts are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in earnings. When there is no reasonable expectation of recovery, the trade receivable balance is written off against the allowance account.

Financial Liabilities and Equity Instruments Issued by the Company
Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in earnings. The net gain or loss recognized in earnings incorporates any interest paid on the financial liability and is included in the "other income and expenses" line item in the consolidated statements of earnings.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Other financial liabilities, including long term debt and redemption liabilities, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Consequently, actual results could differ from those estimates. Those estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant estimates include the determination of expected credit losses which are based on the amount and timing of cash flows expected to be received, allocation of the transaction price on customer contracts with multiple deliverables which are based on standalone selling prices, of the applicable deliverable or using estimation techniques where no standalone selling prices are available, provision for inventory obsolescence which is recorded to adjust to the net realizable value of inventory and based on current market prices and past experiences, the useful life of property, plant and equipment and intangibles for depreciation which are based on past experiences, expected use and industry trends, amortization and valuation of net recoverable amount of property, plant and equipment and intangibles, determination of fair value for share based compensation, evaluating deferred income tax assets and liabilities, the determination of fair value of financial instruments and the likelihood of recoverability, and the determination of implied fair value of goodwill and implied fair value of assets and liabilities for purchase price allocation purposes and goodwill impairment assessment purposes.

Significant items requiring the use of judgment in application of accounting policies and assumptions include the determination of functional currencies, classification of financial instruments, classification of leases, determination of the number of revenue performance obligations, the allocation of transaction prices on customer contracts, determination if revenues should be recognized at a point in time or over time, application of the percentage of completion method on long-term contracts, degree of componentization applied when calculating amortization of property, plant and equipment, and identification of cash generating units for impairment testing purposes.

Operating Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The Company reviewed its operations and determined that it operates a single reportable segment, the television broadcast equipment market. The single reportable operating segment derives its revenue from the sale of hardware and software solutions, related services, training and commissioning and long-term contracts.

Changes in Accounting Policies

Presentation of Financial Statements

Effective May 1, 2023, the Company adopted amendments to IAS 1, *Presentation of Financial Statements*, which requires the disclosure of material accounting policy information, instead of significant accounting policies. The adoption of the amendments did not have a material impact on the Consolidated Financial Statements.

New and Revised IFRSs Issued but Not Yet Effective

Following is a listing of amendments, revisions and new International Financial Reporting Standards issued but not yet effective. Unless otherwise indicated, earlier application is permitted.

Presentation of Non-Current Liabilities with Covenants

Amendments to IAS 1, *Presentation of Financial Statements* was issued by the IASB in January 2020 and clarifies the classification, presentation and disclosure requirements in the standard for non-current liabilities with covenants. The amendments are effective for reporting periods beginning on or after January 1, 2024. The Company does not expect that the adoption of this standard listed above will have a material impact on the consolidated financial statements of the Company.

Note #2 continued ...

Lease Liability in Sale and Leaseback Transactions

Amendments to IFRS 16, *Leases* was issued by the IASB in September 2022 and clarifies the subsequent measurement requirements for sale and leaseback transactions for sellers-leasees. The amendments are effective for reporting periods beginning on or after January 1, 2024. The Company does not expect that the adoption of the standard listed above will have a material impact on the consolidated financial statements of the Company.

Presentation and Disclosure in Financial Statements

IFRS 18, *Presentation and Disclosure in Financial Statements issues* was issued by the IASB in April 2024 and replaces IAS 1, *Presentation of Financial Statements*. The standard is effective for reporting periods beginning on or after January 1, 2027. The Company has not yet determined the impact of the standard.

3. TRADE AND OTHER RECEIVABLES

		2024		2023
Trade receivables, net of allowances	$	81,742	$	105,692
Other receivables		2,608		1,179
	$	84,350	$	106,871

4. INVENTORIES

		2024		2023
Finished goods	$	58,588	$	53,446
Raw material and supplies		109,750		106,614
Work in progress		37,816		42,419
	$	206,154	$	202,479

Cost of sales for the year ended April 30, 2024 included $204,071 of inventory (2023 - $171,059) and $4,317 of inventory write-offs (2023 - $3,150).

5. PROPERTY, PLANT AND EQUIPMENT

	April 30, 2024			April 30, 2023		
	Cost	Accumulated Depreciation	Carrying Amount	Cost	Accumulated Depreciation	Carrying Amount
Office furniture and equipment	$ 5,387	$ 4,168	$ 1,219	$ 5,169	$ 3,589	$ 1,580
Research and development equipment	35,590	28,610	6,980	34,008	27,086	6,922
Airplanes	11,987	10,740	1,247	11,599	10,263	1,336
Machinery and equipment	73,845	60,974	12,871	69,811	56,937	12,874
Leaseholds	10,240	7,581	2,659	9,570	7,086	2,484
Land	2,252	-	2,252	2,276	-	2,276
Buildings	10,864	3,708	7,156	10,984	3,726	7,258
	$ 150,165	$ 115,781	$ 34,384	$ 143,417	$ 108,687	$ 34,730

Note #5 continued …

	Office furniture and equipment	Research and development equipment	Airplanes	Machinery and equipment	Leaseholds	Land	Buildings	Total
Cost								
Balance as at April 30, 2022	$ 4,593	$ 40,316	$ 11,599	$ 69,153	$ 9,195	$ 2,055	$ 9,916	$ 146,827
Additions	$ 490	$ 1,429	$ -	$ 4,274	$ 363	$ -	$ 16	$ 6,572
Foreign exchange adjustments	$ 125	$ 465	$ -	$ 1,052	$ 12	$ 221	$ 1,052	$ 2,927
Disposals	$ (39)	$ (8,202)	$ -	$ (4,668)	$ -	$ -	$ -	$ (12,909)
Balance as at April 30, 2023	**$ 5,169**	**$ 34,008**	**$ 11,599**	**$ 69,811**	**$ 9,570**	**$ 2,276**	**$ 10,984**	**$ 143,417**
Additions	$ 264	$ 1,909	$ 255	$ 6,451	$ 667	$ -	$ 13	$ 9,559
Foreign exchange adjustments	$ (7)	$ 311	$ 133	$ (1,597)	$ 3	$ (24)	$ (133)	$ (1,314)
Disposals	$ (39)	$ (638)	$ -	$ (820)	$ -	$ -	$ -	$ (1,497)
Balance as at April 30, 2024	**$ 5,387**	**$ 35,590**	**$ 11,987**	**$ 73,845**	**$ 10,240**	**$ 2,252**	**$ 10,864**	**$ 150,165**
Accumulated Depreciation								
Balance as at April 30, 2022	$ 3,068	$ 30,544	$ 9,720	$ 55,936	$ 6,527	$ -	$ 3,155	$ 108,950
Depreciation for the year	$ 479	$ 4,246	$ 543	$ 4,834	$ 559	$ -	$ 190	$ 10,851
Foreign exchange adjustments	$ 80	$ 440	$ -	$ 813	$ -	$ -	$ 381	$ 1,714
Disposals	$ (38)	$ (8,144)	$ -	$ (4,646)	$ -	$ -	$ -	$ (12,828)
Balance as at April 30, 2023	**$ 3,589**	**$ 27,086**	**$ 10,263**	**$ 56,937**	**$ 7,086**	**$ -**	**$ 3,726**	**$ 108,687**
Depreciation for the year	$ 625	$ 3,087	$ 609	$ 4,851	$ 495	$ -	$ 53	$ 9,720
Foreign exchange adjustments	$ (9)	$ (929)	$ (132)	$ (13)	$ -	$ -	$ (71)	$ (1,154)
Disposals	$ (37)	$ (634)	$ -	$ (801)	$ -	$ -	$ -	$ (1,472)
Balance as at April 30, 2024	**$ 4,168**	**$ 28,610**	**$ 10,740**	**$ 60,974**	**$ 7,581**	**$ -**	**$ 3,708**	**$ 115,781**
Carrying amounts								
At April 30, 2023	$ 1,580	$ 6,922	$ 1,336	$ 12,874	$ 2,484	$ 2,276	$ 7,258	$ 34,730
At April 30, 2024	**$ 1,219**	**$ 6,980**	**$ 1,247**	**$ 12,871**	**$ 2,659**	**$ 2,252**	**$ 7,156**	**$ 34,384**

6. RIGHT-OF-USE ASSETS

		Land & Building
Balance as at May 1, 2022	**$**	**24,637**
Amortization for the year		(4,714)
Foreign exchange adjustments		473
Balance as at April 30, 2023	**$**	**20,396**
Additions		4,643
Amortization for the year		(4,658)
Foreign exchange adjustments		51
Balance as at April 30, 2024	**$**	**20,432**

7. GOODWILL

The changes in carrying amounts of goodwill are as follows:

		Cost
Balance as at April 30, 2022	**$**	**21,033**
Foreign exchange differences		300
Balance as at April 30, 2023	**$**	**21,333**
Foreign exchange differences		19
Balance as at April 30, 2024	**$**	**21,352**

The Company performs an impairment test annually on April 30th or whenever there is an indication of impairment. For the purposes of testing for impairment, goodwill has been allocated to the following cash-generating units as follows:

		April 30		
		2024		**2023**
Evertz Microsystems Ltd.	$	13,955	$	13,926
Holdtech Kft		5,346		5,346
Quintech		1,007		1,023
ATCI		393		387
Ease Live		651		651
	$	21,352	$	21,333

The key assumptions used in performing the impairment tests as at April 30, 2024 are as follows:

Method of determining recoverable amount:	Value in use
Discount Rate:	9.5% - 14%
Perpetual growth rate:	1.6%- 3.5%

Recoverable Amount
Management's past experience and future expectations of the business performance is used to make a best estimate of the expected revenue, earnings before interest, taxes, depreciation and amortization and operating cash flows for a five year period. Subsequent to the fifth year, the present value of the fifth year cash flows is calculated in perpetuity.

Discount Rate
The discount rate applied is a pre tax rate that reflects the time value of money and risk associated with the business. The discount rate applied varies depending on the jurisdictions in which the entity operates.

Perpetual Growth Rate
The perpetual growth rate is management's current assessment of the long-term growth prospect of the Company in the jurisdictions in which it operates.

Sensitivity Analysis
Management performs a sensitivity analysis on the key assumptions. The sensitivity analysis indicates reasonable changes to key assumptions will not result in an impairment loss.

8. INTANGIBLES

		Cost
Balance as at April 30, 2022	**$**	**3,317**
Amortization		(1,238)
Foreign exchange differences		46
Balance as at April 30, 2023	**$**	**2,125**
Amortization		(1,028)
Foreign exchange differences		1
Balance as at April 30, 2024	**$**	**1,098**

The intangible assets relate to the technology, patents and workforce acquired during prior period acquisitions.

9. INVESTMENTS

		April 30, 2024		April 30, 2023
Investments in:				
Publically traded companies	$	-	$	8,160
Private companies		-		-
	$	**-**	**$**	**8,160**

Investments in publicly traded companies are maintained at their fair value and are classified as financial assets designated at fair value through other comprehensive income. The designation was made upon initial recognition as the investments were not held for the purpose of trading. All investments in publicly traded companies were disposed of in fiscal 2024, for proceeds of $7,183. Upon disposal, the Company recognized a loss of $2,704, including a reclassification of losses previously recognized in other comprehensive earnings of $1,727.

Investments in private companies are maintained at their fair value and are classified as financial assets designated at fair value through profit and loss. Upon initial recognition the investment in DDSports Inc. was treated under the equity method due to having significant influence. In fiscal 2023, significant influence was lost and a valuation of the investment was done to its fair value. During fiscal 2023, an impairment of $3,277 and $2,087 in losses were recorded under the equity method in recognition of the Company's share of DDSports Inc.

10. PROVISIONS

		Warranty and Returns		Lease/Retirement Obligations		Total
Balance as at April 30, 2022	**$**	**6,856**	**$**	**523**	**$**	**7,379**
Net (reductions) additions		(2,364)		35		(2,329)
Foreign exchange differences		20		34		54
Balance as at April 30, 2023	**$**	**4,512**	**$**	**592**	**$**	**5,104**
Net additions (reductions)		61		(252)	**$**	**(191)**
Foreign exchange differences		30		3	**$**	**33**
Balance as at April 30, 2024	**$**	**4,603**	**$**	**343**	**$**	**4,946**

Warranty and Returns

The provision relates to estimated future costs associated with standard warranty repairs and returns on hardware solutions. The provision is based on historical data associated with similar products. The warranty and returns are expected to be incurred within the next twelve months.

Lease/Retirement Obligations

The provision relates to estimated restoration costs expected to be incurred upon the conclusion of Company leases.

11. LEASE LIABILITIES

		April 30, 2024		April 30, 2023
Opening Balance	$	**22,887**	$	**26,848**
Additions		4,643		-
Interest		924		961
Lease Payments		(5,250)		(5,244)
Foreign exchange adjustments		12		322
Closing Balance	$	**23,216**	$	**22,887**
Less current portion		4,296		4,060
Long term lease obligations	$	**18,920**	$	**18,827**

12. CREDIT FACILITIES

The Company has the following credit facilities available:

1. Credit facility of $75 million and a treasury risk management facility up to $10 million available, bearing interest at prime, subject to certain covenants and secured by all Canadian based assets. As at April 30, 2024 and April 30, 2023, the Company was in compliance with covenants. There were no borrowings against the facilities as at April 30, 2024 (April 30, 2023 – $5,928).
2. Credit facility available of $1,359 bearing interest at WIBOR plus 1.4% per annum. There were no borrowings outstanding under this facility as at April 30, 2024 or 2023.

13. REDEMPTION LIABILITY

		April 30, 2024		April 30, 2023
Opening Balance	$	**3,711**	$	**3,423**
Amortization		-		57
Change in fair value		33		-
Foreign Exchange Adjustments		67		231
Closing Balance		**3,811**	$	**3,711**

On October 27, 2020, the Company completed the investment of 73% in the voting share capital of Ease Live AS (“Ease Live”), who are based in Bergen, Norway. Ease Live, which was formerly part of Sixty AS, is a direct to consumer interactive graphics company. The non-controlling shareholders held a put option for the remaining shareholdings, exercisable between November 15, 2022 and December 15, 2022 for a fixed cash price of $3,730. The option was not exercised. The non-controlling shareholders had another put option for the remaining shareholdings, that was exercised in December 2023 for a price to be determined through the valuation process. The put option has been separately valued as a redemption liability, at its estimated fair value as at April 30, 2024.

14. CAPITAL STOCK

Authorized capital stock consists of:
Unlimited number of preferred shares
Unlimited number of common shares

	Number of Common Shares		Amount
Balance as at April 30, 2022	**76,229,696**	**$**	**143,502**
Cancelled pursuant to NCIB	(83,938)		(158)
Balance as at April 30, 2023	**76,145,758**	**$**	**143,344**
Issued on exercise of stock options	198,875		2,456
Transferred on stock option exercise	-		260
Cancelled pursuant to NCIB	(180,311)		(339)
Balance as at April 30, 2024	**76,164,322**	**$**	**145,721**

Dividends Per Share
During the year, $0.77 in dividends per share, were declared (2023 - 0.74 per share).

Normal Course Issuer Bid
In November 2022, the Company entered into a Normal Course Issuer Bid ("NCIB") with the TSX to repurchase, at the Company's discretion, until November 13, 2023 up to 3,809,810 outstanding common shares on the open market or as otherwise permitted, subject to normal terms and limitations of such bids. During the year, the Company purchased and cancelled 173,023 common shares at a weighted average price of $12.55 (2023 – 50,444 common shares at a weighted average price of $11.32).

In November 2023, the Company entered into a new NCIB with the TSX to repurchase, at the Company's discretion, until November 2024 up to 3,802,024 outstanding common shares on the open market or as otherwise permitted, subject to normal terms and limitations of such bids. During the year, the Company purchased and cancelled 7,288 common shares at a weighted average price of $13.58 (2023-nil)

15. REVENUE

		2024		2023
Hardware	$	325,745	$	281,199
Reoccurring software, services and other software		188,871		173,379
	$	514,616	$	454,578

During the year, the company recognized $46,917 revenue under the long-term contract method (2023 – $48,638).

16. SELLING, ADMINISTRATIVE AND GENERAL EXPENSES

		2024		2023
Selling and administrative	$	72,274	$	61,518
Depreciation - selling and administrative		3,644		3,441
General :				
Share based compensation (note 19)		548		538
Amortization of intangibles		1,028		1,263
	$	77,494	$	66,760

17. RESEARCH AND DEVELOPMENT

		2024		2023
Research and development	$	131,043	$	112,380
Depreciation - research and development		3,800		4,747
General :				
Share based compensation		4,572		4,124
	$	139,415	$	121,251

18. STATEMENT OF CASH FLOWS

Changes in non–cash working capital items

		2024		2023
Trade and other receivables	$	22,013	$	(3,475)
Contract assets		(1,522)		(4,634)
Inventories		(3,821)		(23,899)
Prepaid expenses		(543)		(3,765)
Trade and other payables		(13,632)		5,764
Deferred revenue		51,089		(4,440)
Provisions		(158)		(2,275)
	$	53,426	$	(36,724)

19. SHARE BASED PAYMENTS

Stock Option Plan
The Company established, in June 2006, a stock option plan to attract, retain, motivate and compensate employees, officers and eligible directors who are integral to the growth and success of the Company. A number of shares equal to 10% of the Company's outstanding common shares are to be reserved for issuance under the stock option plan.

The Board of Directors administers the stock option plan and will determine the terms of any options granted. The exercise price of an option is to be set by the Board of Directors at the time of grant but shall not be lower than the market price as defined in the option plan at the time of grant. The term of the option cannot exceed 10 years. Stock options are currently granted normally fully vest and expire by the end of the fifth year.

The changes in the number of outstanding share options are as follows:

	Number of Options		Weighted Average Exercise Price
Balance as at April 30, 2022	**5,055,500**	**$**	**13.43**
Forfeited	(174,500)		12.72
Expired	(92,500)		17.35
Balance as at April 30, 2023	**4,788,500**	**$**	**13.38**
Exercised	(198,875)		12.35
Forfeited	(166,500)		12.67
Expired	(467,500)		15.82
Balance as at April 30, 2024	**3,955,625**	**$**	**13.18**

Stock options outstanding as at April 30, 2024 were:

Exercise Price		Weighted Average Exercise Price	Number of Outstanding Options	Weighted Average Remaining Contractual Life	Number of Options Exercisable		Weighted Average Exercise Price of Exercisable Options
12.28-12.86	$	12.35	3,253,125	1.3	1,951,875	$	12.35
14.07	$	14.07	100,000	1.9	60,000	$	14.07
16.20	$	16.20	160,000	0.9	128,000	$	16.20
17.65-17.98	$	17.97	442,500	0.7	354,000	$	17.97
Totals	$	13.18	3,955,625	1.2	2,493,875	$	13.39

Stock options outstanding as at April 30, 2023 were:

Exercise Price		Weighted Average Exercise Price	Number of Outstanding Options	Weighted Average Remaining Contractual Life	Number of Options Exercisable		Weighted Average Exercise Price of Exercisable Options
12.28-12.86	$	12.35	3,603,500	2.3	-	$	-
14.07-15.80	$	15.37	500,000	1.0	320,000	$	15.70
16.08-16.20	$	16.17	220,000	1.6	144,000	$	16.16
17.24-17.98	$	17.94	465,000	1.6	283,000	$	17.93
Totals	$	13.38	4,788,500	2.1	747,000	$	16.63

Restricted Share Unit Plan (2016 Plan)

The Company established, in March 2016, a restricted share unit ("RSU-2016") plan to provide an incentive to participants, including key executives of the Company, by rewarding such participants with equity-based compensation. Under the terms of the plan, RSU's are issued to the participant with a vesting period of three years. On the vesting date, all RSU's issued under the 2016 Plan will be redeemed in cash at the fair market value at the date of vest plus any accrued dividends. The changes in the number of outstanding RSUs under the 2016 Plan are as follows:

	Number of RSUs
Balance as at April 30, 2022	**443,000**
Granted	0
Exercised	(371,500)
Forfeited	(4,500)
Balance as at April 30, 2023	**67,000**
Exercised	(57,000)
Balance as at April 30, 2024	**10,000**

As at April 30, 2024, the average remaining contractual life for outstanding RSUs under the 2016 Plan is 0.4 years (2023 – 0.7 years).

Restricted Share Unit Plan (2022 Plan)

The Company established, in June 2022, a new restricted share unit plan (RSU-2022). The purpose of the plan is to provide an incentive to participants; including key executives of the Company, by rewarding such participants with equity-based compensation. Under the terms of the plan, the Company will redeem RSUs granted to a participant under the 2022 Plan through the issuance of one Common Share of the Company for each fully vested RSU. The Board of Directors administers the equity based restricted share unit plan and will determine the terms of any restricted share units granted. Restricted share units currently granted normally fully vest and expire by the end of the fifth year.

Note #19 continued ...

A number of restricted share units equal to 10% of the Company's outstanding common shares at any point in time are to be reserved for issuance under the equity based restricted share unit plan, less the aggregate number of stock options granted under the Stock Option Plan described above.

The change in the number of outstanding RSUs under the 2022 Plan are as follows:

	Number of RSUs (2022 Plan)
Balance as at April 30, 2022	**-**
Granted	1,522,250
Forfeiture	(10,500)
Balance as at April 30, 2023	**1,511,750**
Granted	30,000
Forfeiture	(47,250)
Balance as at April 30, 2024	**1,494,500**

As at April 30, 2024, the average remaining contractual life for outstanding RSUs under the 2022 Plan is 2.7 years (2023- 3.4 years).

Compensation expense

Stock Option Plan
The share based compensation expense that has been charged against earnings over the fiscal period is $606 (2023 - $1,265). Compensation expense on grants was calculated using the Black-Scholes option pricing model. There were no grants completed in fiscal 2024 or 2023.

Expected volatility is based on historical share price volatility over the past five years of the Company. Share based compensation expense was calculated using a weighted average forfeiture rate of 24% (2023 – 24%).

Restricted Share Unit Plan (2016 Plan)
The share based compensation expense that has been charged against earnings over the fiscal year is $310 (2023 - $858). Share based compensation expense was calculated using a weighted average forfeiture rate of 0% (2023 - 23%). As at April 30, 2024, the total liability included within trade and other payables is $154 (2023 - $780).

Restricted Share Unit Plan (2022 Plan)
The share base compensation expense that has been charged against earnings over the fiscal year is $4,204 (2023 – $2,539). Compensation expense on grants during the year was calculated using the fair value of the Company's share price at the grant date. Share based compensation expense was calculated used a weighted average forfeiture rate of 11% (2023 – 10%).

20. COMMITMENTS AND CONTINGENCIES

In the normal course of operations, the Company is party to a number of lawsuits, claims and contingencies. Accruals are made in instances where it is probable that liabilities have been incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may be incurred in instances for which no accruals have been made, the Company believes the possibility of outflow of cash is remote and thus no additional provisions have been recognized.

The Company is committed to payments under long term debt agreements and certain lease obligations in Note 11 with minimum annual lease payments as follows:

		Redemption Liabilities		Leases Payments		Total
2025		3,811		2,814		6,625
2026		-		5,388		5,388
2027		-		5,044		5,044
2028		-		3,797		3,797
2029		-		3,730		3,730
Thereafter		-		2,895		2,895
Balance as at April 30, 2024	**$**	**3,811**	**$**	**23,668**	**$**	**27,479**

Total operating lease expense during the year was $472 (2023 - $489).

The Company has obtained documentary and standby letters of credit aggregating to a total of $11,781 (2023 - $14,360).

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company estimates that the fair value of financial instruments approximates their carrying values. The following summarizes the significant methods and assumptions used in estimating the fair values of financial instruments:

I. Quoted prices (unadjusted) in active markets for identical assets or liabilities.
II. Inputs other than quoted prices included in level I that are observable for the asset or liability, either directly or indirectly.
III. Inputs for the asset or liability that are not based on observable market data.

(a) ***Financial risk management:***

The Company, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of risks as at April 30, 2024:

Credit Risk
Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, contract assets and trade and other receivables the total of which is the maximum exposure to credit risk. The Company performs evaluations of the financial situations of its customers and uses various controls and processes, such as credit checks and billings in advance to investigate credit risk. Management does not believe that there is significant credit concentration or risk not already provided for.

The Company sets up an allowance for doubtful accounts using the lifetime expected credit losses related to total receivables, while factoring in the credit risks of the individual customer and the aging of receivables. Amounts owing over 90 days are individually evaluated and provided for as an expected credit loss where appropriate in the allowance for doubtful accounts. When considering the need for provisions in relation to balances past due, the Company considers forward looking information such as region specific economic factors including industry outlook, employment, politics, and other market indicators. The Company also takes into consideration customer specific payment history. The trade and other receivables are presented as follows net of the allowance for doubtful accounts:

Note #21 continued ...

		April 30, 2024		April 30, 2023
Trade and other receivables	$	87,252	$	109,702
Allowance for doubtful accounts		(2,902)		(2,831)
	$	84,350	$	106,871

The change in the allowance for doubtful accounts was as follows:

		April 30, 2024		April 30, 2023
Balance at beginning of year	$	2,831	$	2,501
Increase in allowance		897		778
Bad debt recaptured and write-offs		(715)		(629)
Impact of variation in exchange rates		(111)		181
Balance at end of year	$	2,902	$	2,831

The aging of trade and other receivables, net of the allowance for doubtful accounts was:

		April 30, 2024		April 30, 2023
Less than 30 days past billing date	$	31,908	$	44,616
30-60 days past billing date		11,255		21,199
61-90 days past billing date		7,712		7,259
Greater than 90 days past billing date		33,475		33,797
	$	84,350	$	106,871

Exchange Rate Risk
The Company transacts a significant portion of its business in U.S. dollars and is therefore exposed to currency fluctuations.

U.S. dollar financial instruments are as follows:

		April 30, 2024		April 30, 2023
Cash and cash equivalents	$	25,181	$	3,248
Trade and other receivables		90,867		87,548
Trade and other payables		(12,389)		(10,433)
	$	103,659	$	80,363

Based on the financial instruments as at April 30, 2024, a 5% change in the value of the U.S. dollar would result in a gain or loss of $5.2 million in earnings before income tax.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's primary source of liquidity is its cash reserves. The Company also maintains certain credit facilities to support short term funding of operations and trade finance. The Company believes it has sufficient available funds to meet current and foreseeable financial requirements. The Company expects to settle all current financial liabilities within the next year. Maturity of lease obligations are disclosed in Note 20.

22. SEGMENTED INFORMATION

The Company reviewed its operations and determined that it operates a single operating segment, the television broadcast equipment market. The single reportable operating segment derives its revenues from the sale of hardware and software solutions including related services, training and commissioning.

Revenue		2024		2023
United States	$	320,571	$	306,926
International		176,585		117,469
Canada		17,460		30,183
	$	514,616	$	454,578

	April 30, 2024							
		Property, Plant and Equipment		Goodwill		Intangible Assets		Right-of-Use Assets
United States	$	3,485	$	1,400	$	60	$	3,107
International		9,551		18,369		1,038		3,128
Canada		21,348		1,583		-		14,197
	$	34,384	$	21,352	$	1,098	$	20,432

	April 30, 2023							
		Property, Plant and Equipment		Goodwill		Intangible Assets		Right-of-Use Assets
United States	$	4,114	$	1,411	$	395	$	246
International		9,553		18,339		1,730		3,617
Canada		21,063		1,583		-		16,533
	$	34,730	$	21,333	$	2,125	$	20,396

23. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below.

Related Party Transactions
Two shareholders each indirectly hold a 16% interest in the Company's leased premises in Ontario. This lease expires in 2029 with a total of $5,409 committed over the remaining term. During the year, rent paid for the leased principal premises amounted to $1,081 (2023 – $1,055) with no outstanding amounts due as at April 30, 2024.

On December 1, 2008 the Company entered into a property lease agreement where two shareholders each indirectly hold a 20% interest in the Company's leased premises in Ontario. This lease expires in 2028 with a total of $4,246 committed over the remaining term. During the year, rent paid for the leased principal premises amounted to $892 (2023 – $877) with no outstanding amounts due as at April 30, 2024.

On May 1, 2009 the Company entered into a property lease agreement where two shareholders each indirectly hold a 35% interest. This lease expires in 2029 with a total of $2,826 committed over the remaining term. During the year, rent paid for the leased principal premises amounted to $543 (2023 – $525) with no outstanding amounts due as at April 30, 2024.

Note #23 continued ...

On May 1, 2016 the Company entered into a property lease agreement where two shareholders each hold a 46.6% interest. This lease expires in 2026 with a total of $2,136 committed over the remaining term. During the year, rent paid for the leased principal premises amounted to $1,011 (2023 – $1,011) with no outstanding amounts due as at April 30, 2024.

The Company also leases properties where two shareholders indirectly own 100% interest. There were no amounts owing on the leases as at April 30, 2024. The term of these leases are as follows:

Lease Commencement Date	Lease Expiry Date	Amount committed over remaining term	Rent paid 2024	Rent paid 2023
October 2021	September 2026	$ 764	$ 301	$ 292
December 2023	November 2028	$ 1,491	$ 192	$ 152
August 2016	July 2026	$ 636	$ 273	$ 271

These transactions were in the normal course of business and entered into at their respective fair values.

The remuneration of directors and other members of key management personnel for the years ended April 30, 2024 and April 30, 2023 are as follows:

	2024	2023
Short-term salaries and benefits	$ 5,090	$ 5,010
Share-based payments	-	2,816
	$ 5,090	$ 7,826

The total employee benefit expense was $197,148 (2023 - $162,826).

Subsidiaries:
The Company has the following significant subsidiaries:

Company	% Ownership	Location
Evertz Microsystems Ltd.	100%	Canada
Evertz USA	100%	United States
Evertz UK	100%	United Kingdom
Holdtech Kft.	100%	Hungary
Quintech Electronics & Communications Inc.	100%	United States
Tech Digital Manufacturing Limited	100%	Canada
Truform Metal Fabrication Ltd.	75%	Canada
Ease Live AS	73%	Norway

24. NON-CONTROLLING INTEREST

The Company has subsidiaries with non-controlling interests of 25% of Truform Metal Fabrication Ltd., located in Canada, and 10% with Studiotech Poland Sp. z.o.o., a subsidiary of Holdtech Kft. located in Poland. Ease Live AS, located in Norway, also has a non-controlling interest of 27% of Ease Live AS, located in Norway, whose interest has been separately recorded as a redemption liability (see note 13).

Note #24 continued ...

The table below summarizes the aggregate financial information relating to the above subsidiaries before eliminating entries, as no such subsidiary is individually significant.

		April 30, 2024		2023
Current assets	$	21,170	$	13,697
Non-current assets		14,296		17,122
Current liabilities		3,784		3,028
Non-current liabilities		1,603		114
Equity attributable to shareholders		26,669		24,692
Non-controlling interest		3,410		2,985

		April 30, 2024		2023
Revenue	$	43,918	$	30,208
Net earnings attributable to:				
Shareholders		6,113		2,666
Non-controlling interest		857		523

During the year, $400 (2023 - $425) in dividends were paid to non-controlling interests.

25. CAPITAL DISCLOSURES

The Company's capital is composed of total equity attributable to shareholders which totals $263,267 (2023 - $243,099) as at April 30, 2024. The Company's objective in managing capital is to ensure sufficient liquidity to finance increases in non-cash working capital, capital expenditures for capacity expansions, pursuit of selective acquisitions and the payment of quarterly dividends. The Company's strategy on capital risk management has not changed significantly since April 30, 2024.

The Company takes a conservative approach towards financial leverage and management of financial risk and the Company currently satisfies their internal requirements.

The Company is not subject to any capital requirements imposed by a regulator.

26. EARNINGS PER SHARE

	2024	2023
Weighted average common shares outstanding	76,088,691	76,200,428
Dilutive-effect of stock options	956,167	32,034
Diluted weighted average common shares outstanding	77,044,858	76,232,462

The weighted average number of diluted common shares excludes 702,500 options because they were anti-dilutive during the period (2023 – 1,612,500).

27. INCOME TAXES

The Company's effective income tax rate differs from the statutory combined Canadian income tax rate as follows:

		2024		2023
Expected income tax expense using statutory rates (25%, 2022 - 25%)	$	24,340	$	21,953
Difference in foreign tax rates		(225)		(152)
Benefit ariving from prior year losses		-		(101)
Non-deductible stock based compensation		1,275		1,029
Non-deductible losses		717		1,395
Change in estimates relating to prior periods		397		(459)
Other		(173)		(410)
	$	26,331	$	23,255

Benefit arising from a previously unrecognized tax loss has been recognized in the year as a result of a change in estimated taxable income in future years.

Components of deferred income taxes are summarized as follows:

		April 30, 2024		April 30, 2023
Deferred income tax assets (liabilities):				
Tax loss carried forward	$	395	$	549
Research and development tax credits		(3,087)		(2,825)
Equipment tax vs accounting basis		6,239		5,604
Non-deductible reserves		3,347		3,411
	$	6,894	$	6,739

As at April 30, 2024, the Company had $3,428 in tax losses for which no deferred tax asset has been recognized in the statement of financial position. Of these losses, $1,166 expire in 2025 while the remaining balance has no expiry.

28. SUBSEQUENT EVENT

On June 19, 2024 the Company declared a quarterly dividend of $0.195 with a record date of July 2, 2024 and a payment date of July 10, 2024.