



EVERTZ TECHNOLOGIES LIMITED

ANNUAL INFORMATION FORM

For the fiscal year ended April 30, 2023

July 28, 2023

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EVERTZ TECHNOLOGIES LIMITED

INFORMATION INCORPORATED BY REFERENCE

Certain of the information contained in this Annual Information Form (AIF) may be found in other documents filed by us with Canadian securities regulators, including our 2023 Management's Discussion & Analysis and 2023 Annual Financial Statements, which are documents we make available via SEDAR and which can be accessed at www.sedar.com. See also the section in this AIF entitled "Additional Information".

Unless otherwise noted, the information contained in this AIF is given as at April 30, 2023. Unless otherwise noted or the context otherwise indicates, "Evertz", the "Company", "we", "us", "our" and "our company" refers to Evertz Technologies Limited and its direct and indirect subsidiaries. Unless otherwise indicated, all dollar amounts in this AIF are expressed in Canadian dollars.

FORWARD-LOOKING STATEMENTS

Certain statements in this AIF, particularly statements regarding future economic performance and finances, plans, expectations and objectives of management, are "forward-looking" statements which reflect the Company's current views with respect to future events and financial performance. When used in this AIF, such forward-looking statements use words such as "may", "will", "expect", "believe", "anticipate", "plan", "intend", "estimate", "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, including, but not limited to, the factors discussed under "Risk Factors" and in other sections of this AIF.

Many of the factors that will determine the Company's future results, performance or achievements are beyond its ability to control or predict. The Company cannot assure investors that actual results will be consistent with the forward-looking statements in this AIF and investors are cautioned not to put undue reliance on any forward-looking statements.

The forward-looking statements appearing in this AIF reflect current expectations regarding future events and operating performance and speak only as of the date of this AIF. The Company and the Underwriters disclaim any intention or obligation to publicly update or revise any forward-looking statements after they distribute this AIF, whether as a result of new information, future events or other circumstances, except as may be required pursuant to applicable securities laws.

CORPORATE STRUCTURE

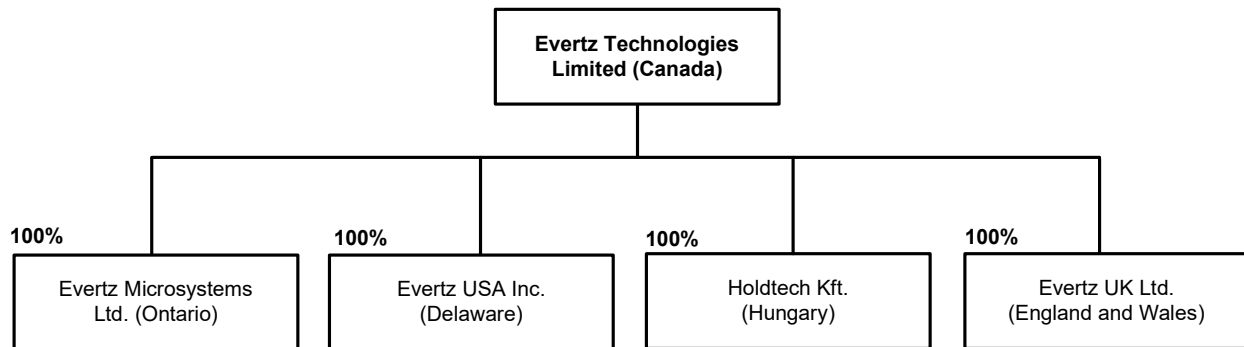
Name, Incorporation and Facilities

Evertz Technologies Limited was incorporated under the name Evertz Microsystems Inc. under the *Canada Business Corporations Act* by certificate of incorporation dated May 28, 1981. Evertz Microsystems Ltd., the principal wholly-owned operating subsidiary of Evertz Technologies Limited, was incorporated under the name DynaQuip Electron Devices Limited under the laws of the Province of Ontario by letters patent dated July 29, 1966 and became a wholly-owned subsidiary of Evertz Technologies Limited in 1983 by way of share exchange.

Evertz Technologies Limited's current authorized share capital consists of an unlimited number of Common Shares without par value and an unlimited number of preference shares ("Preference Shares"), issuable in one or more series.

The Company's head and registered office is at 5292 John Lucas Drive, Burlington, Ontario, Canada, L7L 5Z9 and its telephone number is (905) 335-3700. The Company also maintains offices in Los Angeles (United States), Indiana PA (United States), Chandler AZ (United States), Reading (United Kingdom), Hong Kong, India, Europe, Australia and Dubai. The Company's corporate website is www.evertz.com. The information contained on the website is not incorporated by reference into this document.

The Company conducts business through Evertz Microsystems Ltd. and the other material operating subsidiaries of Evertz Technologies Limited set out in the chart below, each of which is wholly-owned, directly, by the Company.



GENERAL DEVELOPMENT OF THE COMPANY

Overview

Evertz is a leading solutions provider to the television, telecommunications, professional AV and new media industries. Founded in 1966, Evertz is a leading supplier of software, equipment and “Cloud” virtualized technology solutions to content creators, broadcasters, specialty channels and television service providers. Evertz 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, high definition television (“HDTV”), Ultra HD and next generation high bandwidth low latency Internet Protocol (“IP”) network environments and by telecommunications, new-media and professional AV companies. The Company’s products allow its customers to generate additional revenue while reducing costs through the more 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”.

The Company made early research and development investments to establish itself as the leading supplier to the broadcast industry addressing the ongoing technical transition to IP and IT based production, workflow and distribution systems helping to create more efficient and agile workflows enabling the proliferation of high quality video, emerging Ultra HD and, High Dynamic range initiatives. The Company has maintained its track record of rapid innovation; is a leader in the expanding Internet Protocol Television (“IPTV”) market and a leader in Software Defined Video Network (“SDVN”) technology. The Company is committed to maintaining its leadership position, and as such, a significant portion of the Company’s staff is focused on research and development to ensure that the Company’s products are at the forefront of the industry. This commitment contributes to the Company being consistently recognized as a leading broadcast and video networking industry innovator by its customers.

Three Year History

Evertz’ innovative product offering and commitment to its customers enabled it to maintain strong revenues and profitably despite challenging economic and environments, including those relating to the pandemic. The Company has generated revenues of \$455 million, \$441 million and \$343 million during fiscal 2023, fiscal 2022 and fiscal 2021, respectively while producing earnings before tax of \$88 million, \$98 million and \$56 million over the same period of time.

The Company has made investments of \$117.1 million, \$102.4 million and \$80.2 million in research and development during fiscal 2023, fiscal 2022 and fiscal 2021, respectively. The increase in investment in fiscal 2023 was driven by salary increases and an increase in head count to address key research and development initiatives. As the Company continues to grow, the Company expects to add further software, hardware and networking specialists to its research and development team.

Growth Strategy

We provide high performance hardware, software and virtualized “Cloud” solutions to broadcasters, specialty channels, television service providers, telecommunications, professional AV and new media companies enabling them to streamline their operations workflow, improve productivity and enhance their ability to engage audiences and monetize content across multiple platforms.

Evertz IT file-based solutions, virtualized “Cloud” solutions and our award-winning next-generation software defined video networking IP based infrastructure solutions encompassing our range of modular through hyper-scale low-latency high availability Ethernet switch fabrics, are enabling our customers to address the growing global demand for high quality video services delivered anywhere, anytime across a broad array of devices. Our objective is to be the leader in IP and IT based Software Defined Video Network technology, virtualized public-private-hybrid “Cloud” solutions and to be a leader in key growth segments of the broadcast and new media technology industry. We seek to achieve and sustain market leadership through:

Broaden Product Offering through Rapid Product Innovation

Many customers are demanding more complete and integrated solutions. Management believes that the Company has a track record of rapidly bringing product innovation to market by working with customers to determine their future needs and by integrating new technologies. The Company intends to continue developing new products with increasing functionality and performance, thereby expanding its product line and further solidifying the Company’s position as a key supplier of broadcast and new media technology solutions.

Focusing on Market Growth Opportunities

The Company will continue to target its sales and product development resources towards the growth opportunities arising from the industry’s technical transition to IP and IT file-based workflow and virtualized “Cloud” services; digital, HDTV and Ultra HD broadcasting formats and High Dynamic Range (HDR) initiatives, and towards broader adoption and deployment of these technologies with key customers.

Expanding Global Sales and Distribution Capabilities

The Company plans to continue to expand its direct sales force to strengthen the Company’s relationships with its customer base and to increase repeat sales. The Company intends to leverage its relationships with its distributor network and with systems integrators to increase the Company’s global sales and distribution capabilities.

Pursue Selective Acquisitions Which Leverage Evertz Market Presence

The Company has and will selectively consider opportunities to broaden and enhance its product and market scope through acquisitions.

Industry Drivers

Management plans to fuel the Company’s growth by capitalizing on the following industry drivers that are causing content creators, broadcasters, specialty channels, television service providers, telecommunications and new media companies to deploy and upgrade their solutions.

- HD channel proliferation, including 4K, UltraHD with High Dynamic Range and increasing live content;
- Global demand for high quality video services anywhere, anytime across a broad array of devices and the unabated growth of IP video traffic (multi-platform content delivery); and

- The industry technical transition to IP networking, IT file-based workflows and Cloud-based architecture.

Management believes that customers will continue to choose the Company's products because of its reputation for innovation and reliability. The Company's products are used at some of the most advanced broadcast, new media, global enterprise, financial institutions, and higher education facilities.

To respond to the growing international demand for its products, the Company has increased its direct presence in key markets around the world. This allows the Company to better support our channel partners and customers. The Company currently has sales offices in Canada, the United States, the United Kingdom, Asia, Europe and the Middle East in addition to a worldwide network of distributors and dealers.

The Company's strategy is to establish and sustain market leadership in key industry growth segments through rapid product innovation as well as extending the breadth of its product line and market reach, both organically and through selective acquisitions.

NARRATIVE DESCRIPTION OF OUR BUSINESS

Evertz – The Complete Solutions Provider

Evertz Technologies Limited (TSX: ET) designs, manufactures and markets video and audio infrastructure solutions for the television, telecommunications, professional AV and new-media industries. The Company's solutions are purchased by content creators, content owners, broadcasters, live event spaces and venues, stadiums to deliver high quality live productions for their distribution platforms. The Company's solutions are also purchased by, specialty channels, television service providers, telecommunications and new-media companies to support their increasingly complex multi-channel digital broadcast services, UHDTV services and on-demand content-environments and to monetize their content. The Company's products allow its customers to generate additional revenue while reducing costs through the more 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". Essential functions of the Company's products include the ability to:

- Implement advanced digital systems;
- Route, distribute, control and monitor video, audio and data signals throughout large broadcast, telecommunications and government operations;
- Deliver television services over telecommunications networks, widely known as IPTV;
- Migrate from single channel transmission to multi-channel media play out;
- Improve facility workflow;
- Provide 10GE/25GE/100GE/400GE IP infrastructure and virtualized solutions for broadcast facilities;
- Deliver content to the multi-screen consumers over streaming and over-the-top (OTT) services; and
- Monetize content using free ad-supported television (FAST) channels or gamification of user engagement.

Many of the Company's core products work together in integrated systems. The Company's products may be grouped into the following categories:

- **Infrastructure Solutions:**

The Company's infrastructure solutions are used across the broadcasting industry for various signal processing, routing and distribution functions, such as conversion from analog to digital, electrical to optical, from standard definition ("SD") to high definition ("HD") to 3Gb/s ("3G") and 12Gb/s "4K/8K Ultra HD" serial digital interfaces (SDI). The Company's infrastructure solutions also include signal distribution and routing over dark fiber, managed and unmanaged IP, RF, and 5G networks;

- **Visualization and Monitoring Solutions:**

Visualization and monitoring products enable customers to view, monitor and manage a large number of broadcast signals locally or across their geographically dispersed infrastructure. These products include multi-image display processors for network control centres, and IP monitoring and Simple Network Management Protocol ("SNMP") based network management products for facility monitoring environments;

- **Playout and Content Management Solutions:**

The Company's Technology and Engineering Emmy® Award winning playout and content management solutions enable customers to improve operational workflow. The Company's playout and content management products offer a scalable, feature-rich, and cost-effective solution for both baseband and file based playout;

- **Compression and Media Transport Solutions:**

The Company's compression and media transport products allow for broadcasters and service providers to deliver video and audio content over small and large geographical distances. The Company has developed products that enable UHD, 3G, HD and SD video and audio signals to be delivered over IP networks using low latency compression techniques that include MPEG-2, H.264, HEVC, JPEG 2000, and JPEG XS, and secure transport formats that include Secure Reliable Transport ("SRT") and Reliable Internet Streaming Transport ("RIST");

- **Software Defined Video Networking:**

The company's Software Defined Video Networking ("SDVN") solution is an exciting architecture developed around (up to) 400 Gbps Ethernet core, offering a flexible format agnostic IP infrastructure that easily supports UHD and 8K video, and the use of virtualized services;

- **Live Production:**

The Company's Technology and Engineering Emmy® Award winning instant replay system and live media production suite of tools that allow broadcasters and new media companies to create content for multiple platform efficiently and cost-effectively. The suite of tools enables content ingest/capture, production playout, slo-motion replay, quick turnaround editing, content management, and collaborative production for formats up to UHD and 8K; The Company also provides digital audio production solutions that include audio mixing consoles, audio processing and routing;

- **Direct-to-Consumer:**

The Company's software-as-a-service ("SaaS") offerings allow content owners and rights holders to monetize their content with direct-to-consumer services. The Company has leveraged its playout and content management solutions to deliver a SaaS-based cloud platform for video services for new distribution paths including free ad-support television ("FAST") channels. The Company uses interactive graphics at the edge to enhance user engagement for live events; and

- **Professional AV Solutions:**

The AV division of the Company offers the most complete end to end solutions for the Professional AV market including solutions for Networked Based AV distribution and visualization, routing, KVM, video wall technology, and video record/capture/playback.

Infrastructure Solutions

The Company markets infrastructure products that address customers' needs for high quality conversion equipment for digital television and ultra-high definition ("UHD") broadcasting systems. These products are used by broadcasting industry professionals in the creation, packaging and distribution of audio and video content, as well as to carry out numerous signal processing functions, from analog to digital conversion through SD to UHD. These interfaces include:

- **Interfacing and Distribution:** Interfacing and distribution products constitute essential parts of a broadcasting facility. The Company's modular products interface, distribute, convert and switch audio, video and data signals over 12G-SDI;
- **Master Control and Branding Solutions:** The Company's master control switcher allows a user to assemble programming from multiple input sources. Channel Branding products enable the simultaneous or concurrent display of real-time graphics such as station logos, digital clocks and temperature indication;
- **Production and Post-Production:** The Company's line of production and post-production equipment ranges from versatile fiber-optic enabled camera adapter systems, high definition video graticule generators, high quality down-converters, universal video data systems, multi-resolution video post-production systems, high definition production metadata encoders through to graphical user interface software, which centralizes control of the video footage related data and provides extensive data management capabilities;
- **Signal Routing:** The Company's comprehensive portfolio of high quality routing products includes a wide variety of sizes, signal formats and transmission standards. Management believes the Company's flagship *EQX* large size routers (12G/3G-SDI) based on telco standards of reliability and using 48V power supplies, are one of the most compact, expandable and robust routing switchers in the industry. It is available in a 26 rack unit (RU) version that scales to 2304x2304, a 16RU version for 288x288 inputs and outputs, and a new smaller 10RU frame that supports 180x180 or 180x360 using Double Density outputs (plus X-LINK outputs) The *EQX* is an eco-friendly hybrid Video/Audio/IP router platform that is designed for 24/7 operations. The *EQX* large scale routing platform is complemented by the newly introduced *NEXX* router for smaller applications that require up to 256x256 12G/3G-SDI inputs and outputs with integrated processing and multiviewing. The Company's *EQT* line of compact routers has been designed to meet the needs of both the broadcast and professional video user. All of these router types can be optionally ordered with full support up to 12 data rate, needed for the 3840x2160p progressive scan television format. The Company has expanded its routing line to also include a modular series that not only fit into the standard frame/chassis but also exhibit many similar routing and control features as the larger lines. The Company's routers are trusted by and integrated into many of the world's major broadcast and telecommunications networks;
- **Signal Processing and Conversion:** The Company's comprehensive portfolio of high quality signal processing products provides a wide range of functions that include analog to conversion (up to UHD), frame synchronization, timing, delay, and high dynamic range (HDR) conversion. The Company now offers the award winning *SCORPION* Smart Media Processing Platform with its versatile I/O and the FPGA-based *MIO-BLADE* and *ev670* with conversion and processing apps up to UHD;
- **FacilityLINK Fiber Optic Platform:** The Company provides a comprehensive set of fiber optic conversion and transmission products for video, audio, control and telecommunication applications. The modular line of products fit into standard modular frames and can be combined with other non-fiber equipment. In general, fiber optic transmission has many advantages over conventional copper

wiring such as the ability to build much longer point-to-point links using fiber (up to several kilometres), the data carrying capacity is much higher, it is free from electromagnetic interference and optical fiber is lighter and occupies less space than conventional wiring. These advantages are frequently key requirements for applications including:

- Facility and studio linking;
 - Metropolitan links;
 - Studio to transmitter links;
 - Outdoor or remote event connection; and
 - Low cost signal aggregation.
- ***RF Routing and Distribution:*** The Company provides a complete portfolio of RF uplink/downlink, distribution, and routing products for broadcast, teleport, and government applications. Many broadcasters and government utilize satellite transmission as the primary global distribution of video/audio signals. The highly reliable and high performance RF product portfolio range from the Company's *Simlusat* multibeam antennas, RF distribution over fiber optics and IP network modules, small and large RF routing matrices, integrated receivers/decoders to RF probes and *SmartMON* for complete performance and health monitoring;
 - ***5G Networking:*** The Company has launched a new networking edge device that utilizes the 5G, the 5th generation mobile network that telecoms are deploying as the new global wireless standard. The new 5G wireless network provides significantly greater upload and download bandwidth than the previous generations. This increased bandwidth allows for the low-latency wireless transport of video, audio, and data signals from regions where fiber optic or copper wiring is cost prohibitive. The Company's *MMA10G-TRXS-5G* standalone 5G-enabled UHD/3G/HD encoder/decoder is a 5G wireless media gateway for remote applications.

Visualization and Monitoring Solutions

The Company's visualization and monitoring products enable customers to efficiently view and monitor a large number of television signals in a customer's broadcast facility. The Company's primary products in this category are Evertz' multi-image video which support baseband, IP, compressed and uncompressed interfaces and all of the most common industry interface standards.

- ***Multi-image Video Processors:*** In response to broadcasters' needs to build large monitor walls to simultaneously view a large number of video signals, the Company has its *MVP* multi-image display system. Management believes the Company's *MVP* is the foundation the multi-display marketplace with a highly flexible, intuitive, yet comprehensive approach to video wall display and signal monitoring applications. Based on the *MVP*, the Company introduced a more economical line of multi-display processors with the *ev670 platform*. This line offers similar features to the *MVP*, but is targeted at smaller users as well as the mobile truck markets. The Company has also introduced its IP support on the *ev670 platform* to meet the needs of the industry's new standard SMPTE ST 2110 to be utilized for IP-based monitoring. This solution offers unique, consolidated routing/monitoring features under a unified control system, thereby saving on space, complexity and overall system cost. The Company's *MViP-II* is the second generation of Evertz award winning software based multi-image display and monitoring solution developed to be used as a tool for digital head-ends, IPTV networks and sites using IP for distribution with a requirement to monitor and display audio and video along with fault information and transport details. Furthermore, the Company introduced two new platforms that supported IP-based multi-image display: the *sVIP* High-Density IP Multiviewer and Monitoring Platform and *cVIP* Cloud-based Multiviewer and Monitoring Platform to meet the

industry shift to IP-based, cloud-based or hybrid workflows. The *sVIP* provide support for monitoring uncompressed SMPTE ST-2110 based IP flows and compressed IP flows on one platform. The *cVIP* provides monitoring of compressed IP flows found in cloud production and playout without any transcoding. Both the *sVIP* and *cVIP* address the need for more robust and flexible cloud monitoring options as the content production and broadcast markets shifted to more work-from-home (WFH) and remote applications. Several of the key features that Management believes the most advanced and comprehensive within the multi-image line-up are:

- Hardware based solutions that are high density with low power based on FPGA-accelerated processing;
 - Resistant to failures due to no on-board mechanical hard-drives; and
 - Simple real-time operating systems.
- **Network Management System:** The Company's network management system, *VistaLINK*[®], is an SNMP based application which communicates with the Company's products and with selected other third-party devices, to provide real-time configuration and monitoring control. *VistaLINK*[®] *PRO* and graphical *VistaLINK*[®] *PRO PLUS* provide a complete, uncomplicated and cost-effective network monitoring and configuration solution. It is also an effective local and remote monitoring tool for both incoming and departing signals at strategic locations throughout a video network enterprise. Along with the *MVP* and *ev670* multi-input display processors, the Company offers a wide selection of 100% SNMP-enabled signal distribution, video and audio processors, converters, frame synchronizers, IP routing switches, UHD/3G/HD/SD routers and fiber equipment for IPTV deployments. *VistaLINK*[®] *PRO* and *VistaLINK*[®] *PRO PLUS* unify Evertz' SNMP-enabled equipment and other third-party modules. Through the Company's *VistaLINK*[®], thousands of network nodes can be monitored and configured world-wide via SNMP. *VistaLINK*[®] *PRO*, *Intelligent Resource Manager (IRM)* and *Compression Systems Manager (CSM)* unite SNMP-based equipment from the Company and other suppliers by providing monitoring, configuration capabilities, build network topologies and manage redundancy schemes for mission critical needs. Management believes *VistaLINK*[®] *PRO* is one of the most complete and comprehensive SNMP-based signal monitoring and equipment configuration solutions;
 - **Remote Monitoring:** Cable, IPTV and Satellite Head End customers face the challenge of determining the quality of service at the edges of their network where they do not have any means of viewing their content. The Company has developed the *160RM* Remote Monitoring System to monitor remote sites from a central location and to stream the audio/video of any channel on the network back via IP.

Playout and Content Management Solutions

The Company's Playout and Content Management solutions enable customers to improve their facilities workflow whether on-premise or in the "Cloud" and allows for content to be delivered across multiple platforms. The Company's solution is based on the industry's move to a file-based workflow.

- **Media Asset Management & Automation:** In order to meet the growing needs for more efficient operational workflows for multi-platform publishing, the Company offers *Mediator-X*, a task-based content management, workflow and automation platform. *Mediator-X* provides complete end-to-end workflow from storage of content in tape libraries to publishing content to linear (like broadcast) and non-linear (mobile or the web) platforms;

- ***Ingest and Storage:*** The Company's ingest clients provide real-time ingest and playout of UHD, HD and SD content (baseband or file). The Ingest clients use software-based encoding to offer a flexible platform that allows for content to be ingested as H.264, MPEG-2, and JPEG2000; and
- ***Integrated Playout:*** The Company's integrated playout solution includes *OvertureRT-LIVE* which is designed to provide full video and audio mixing of UHD/HD/SD inputs and internally stored content. Advanced channel branding is provided by an internal high-end graphics engine. The Company integrated playout solution is considered amongst the leaders in the market space.
- ***Cloud Based Media Supply Chain:*** The Company was awarded a 2019 Technology and Engineering Emmy® Award for pioneering cloud based linear media supply chain based on its playout and content management solutions. The Company's *Mediator-X* and *OvertureRT-LIVE* products are virtualized services that provide cost-effective and secure content preparation and playout capabilities. *Mediator-X* is a cohesive, highly scalable, infrastructure agnostic enterprise class platform for Media Asset Management, Transmission Playout and Non Linear delivery applications. Any particular system can be configured to run just one of the core functions depending on application needs; however, the combination of all three brings powerful efficiencies to media workflows and processes. *Mediator-X*'s architecture is flexible enough to be run on dedicated hardware or within public, private and hybrid cloud environments.

Compression and Media Transport Solutions

Management believes that the Company has one of the most comprehensive suites of products for cable, satellite and IPTV head-ends. The Company is relied upon by its customers as a leading supplier of equipment and solutions for IPTV, mobile, web, and over-the-top (OTT) applications. The Company's products include solutions for:

- Signal and content ingest – satellite, terrestrial and fiber;
 - Redundancy and protection switching;
 - Signal conversion and processing;
 - Signal distribution and routing;
 - Signal transport;
 - Comprehensive local and remote signal monitoring;
 - Streaming over IP; and
 - Signal compression.
- ***Contribution Encoding / Decoding and Processing:*** For contribution encoding and decoding, the Company offers a range of modular and standalone JPEG XS, JPEG 2000, HEVC, H.264 (4:2:2 10-bit) and MPEG-2 products. The high quality and low latency of these encoders and decoders allows broadcasters to have a complete end-to-end solution for content creation;
 - ***Content Distribution and Delivery - Encoding & Transcoding:*** The Company's software defined accelerated 3482 platform offers high-density MPEG-2/H.264/HEVC encoding, transcoding, and stat mux solutions for IPTV and Cable head-ends for content distribution and delivery. The 3482 platform also offers adaptive bit rate transcoding for delivering content to mobile (including tablets), OTT, and web-based devices. The *XPS Series* provides real-time high quality video encoding at ultra-low latencies, supporting up to 4x simultaneous 1080p50/60 HD video encodes or decodes.
 - ***Cloud On-Ramp:*** With the adaptation of cloud by the industry for production and playout workflows, the Company's new cloud-based *Reflektor* is a software-as-a-service ("SaaS") that on-ramp and off-ramps signals into and out of private or public cloud services. *Reflektor* normalizes, transcodes, and replicates IP stream that are used within cloud environments overcoming networking

limitations inherent in a cloud environment. As a SaaS, *Reflektor* can be scaled to meet application requirements; and

- **Media Transport Solutions:** The transport of media between facility nodes has traditionally been done using dark fiber networks. However, the use of managed and unmanaged IP networks has also become a viable transport option. With its support for IP and fiber optic networks and comprehensive selection of broadcast facility interfaces, the Company's *SCORPION* platform is the ideal solution for media transport applications. The Company leverages is Software Defined Video Networking (SDVN) technology to network multiple *SCORPION* and other media gateways to create large global Wide Area Networks (WAN) for content contribution and distribution.

Software Defined Video Networking

For the industry's transition to IP, based on new standards and specifications such as SMPTE ST 2059-2, SMPTE ST 2110, and AMWA NMOS, the Company developed its Software Defined Video Networking ("SDVN") solution portfolio. SDVN is an exciting IP architecture developed around a 100/200/400Gbps Ethernet core, offering a flexible format-agnostic infrastructure that easily supports uncompressed 4K and 8K video format. The Company's broad range of SDVN products includes high capacity IP switch fabrics (EXE and NAT-X), media gateways (*SCORPION*, *570IPG*, and *670IPG*), IP timing (*5700MSC-IP*), IP Multiviewers (*ev670-X30-HW-2*, *sVIP*, and *cVIP*), virtualized resources (*SCORPION*, *MIO-BLADE*, and *ev-670-X30-HW-2 with software apps*), encoder/decoders (*XPS* and *3482TXE*) and other edge devices (*DreamCatcherTM*, *Studer Infinity ST Core*, and *OvertureRT-LIVE*).

The Company's SDVN technology utilizes a fully non-blocking architecture enabling any source to be routed to any destination at any time without limitations. This is in contrast to other commercially available IP architectures that do not support non-blocking capabilities and require significant operational constraints due to this limitation. In addition, SDVN's sophisticated orchestration and control system enables deterministic switching of media signals. Deterministic switching, the ability to precisely switch media sources, is a critical requirement for live production.

At the core of the Company's SDVN solution is the *EXE* High Capacity IP Switch fabric which now features up to 400Tb/s switching capacity. The *EXE* leverages 10GE/25GE/100GE/400GE interfacing to switch thousands of uncompressed or compressed streams (video, audio, and/or data) frame accurately. Through its intelligent utilization of extreme bandwidth switching, the SDVN solution allows media organizations to harness the true potential of an IP network from live production to playout to content distribution. The Company's SDVN solution provides unprecedented scalability, highly efficient workflows, and a reduction in capital and operational costs.

SDVN is powered by *MAGNUM-OS*, the Company's award-winning Orchestration, Monitoring, and Analytic system, which enables operators to use the same familiar work surfaces while leveraging the advantages of IP based infrastructures. Several of the key features *MAGNUM-OS* assist in the management and lowering the cost of ownership for broadcast facilities. They include:

- **Orchestration:** The Company's *MAGNUM-OS* software system is used to configure broadcast system that can SDI, IP, cloud or a hybrid. *MAGNUM-OS* provides a single web interface to discover, configure and connect devices found in a broadcast facility using Advanced Media Workflow Association ("AMWA") Networked Media Open Specifications ("NMOS") and application programming interfaces ("API"). Additionally, *MAGNUM-OS* manages the link bandwidth between devices and IP flows across the entire network;

- **Monitoring:** The monitoring module of *MAGNUM-OS*, is an SNMP based application which communicates with the Company's products and with selected other third-party devices, to provide real-time configuration and monitoring control. The monitoring information and data is presented in the user interface of *MAGNUM-OS* provide a complete, uncomplicated and cost-effective network monitoring and configuration solution. It is also an effective local and remote monitoring tool; and
- **Analytics:** The analytics module of *MAGNUM-OS*, provides log management, analytics and operational intelligence for broadcast and new media organizations by collecting, searching, monitoring and analyzing data. *MAGNUM-OS* leverages all of the data generated in a typical facility and presents the data via real-time dashboards or extensive log, diagnostic, and data reporting tools.

The Company's *VUE* Intelligent Operations and Control Platform enables streamlined operational workflows. Through *VUE*, efficient custom user interfaces can be created for everything from simple single device control applications to expansive enterprise level control solutions, while *VUE-ANYWHERE* enables operators the ability to complete traditional broadcast operations from a remote location.

Live Production

DreamCatcher™ is the Company's 2016 Emmy® Technical Award winning suite of tools for live production. *DreamCatcher™* is a robust, scalable and modern IP-based live production system with advanced features that include content ingest/capture, production playout, slo-motion replay, and quick turnaround editing for content using formats up to 8K.

The Company's *DreamCatcher™* solution leverages an advanced IP-based architecture to connect a cluster of *DreamCatcher™* processing nodes as a software defined data center ("SDDC"). The SDDC provides broadcasters and new media companies unmatched flexibility and scalability to handle multiple smaller live productions (sports or entertainment) or larger events. The SDDC can allocate resources and compute to meet the requirements of each event based on a scheduler.

More recently, the Company has introduced *DreamCatcher™ BRAVO Studio* for collaborative production. *BRAVO Studio* is a software application on the *DreamCatcher™* cluster that allows broadcasters and new media companies to create content with smaller production teams and lower costs. This allows content rights holders to cost-effectively deliver content across multiple platforms to extract maximum value from the contracts. *BRAVO Studio* is also cloud-ready and can be deployed across both private and public cloud platforms. The *Vista BRAVO* is the latest addition that expands the audio capabilities of *BRAVO Studio*.

The Company provides solutions for the digital audio production that include audio mixing consoles, routing and processing cores. The Company's *Studer* is a world renowned brand for audio production for broadcast facilities, live concert halls, sports venues and stadiums. The *Vista* series of audio mixing consoles, *Infinity ST* processing core and *D21/D23* modular I/O can be scaled to meet any size of audio production with interfaces for traditional analog microphones to more recent SMPTE ST 2110-30 IP-based audio flows.

Direct-to-Consumer

The Company's Direct-to-Consumer solutions enable content owners and rights holders to monetize content by offering software-as-a-service ("SaaS") solutions to deliver content across new distribution platforms and increase user engagement with gamification.

- **SaaS Platform for Video Services:** The Company launched *evertz.io* a SaaS-based, multi-tenant cloud platform for video services to help content owners conform, transform, and stream content for existing traditional distribution paths or new ones including free ad-support television (“FAST”) channels
- **Interactive Graphics Overlays:** The Company’s *Ease Live* platform provides live interactive graphic overlays, at the edge, that drive interactive experiences for OTT providers and digital rights holders. *Ease Live* provides live game data, polls, trivia, watch parties and betting activities that provide digital rights holder’s opportunities to retain audience engagement for long periods of time, content personalization, additional ad inventory, and rewards for increased fan loyalty.

Professional AV Solutions

Evertz AV is a division within the Company exclusively focused on the professional AV marketplace addressing several verticals including Higher Education, Government, Medical, and Corporate Communications. The AV division of the Company offers the most complete end-to-end solutions for AV distribution and visualization, routing, KVM, video wall solutions and video record/capture/playback. Evertz Network Based AV distribution platform is an ideal solution for connecting and sharing content across any facility. The *MMA-10G* utilizes a highly reliable 10GE/100GE infrastructure for routing video and audio, and offers unprecedented scalability and reliability with support for up to 4K resolutions in large scale and/or secure applications using Internet Protocol Media Experience (“IPMX”). The *NUCLEUS* platform provides a scalable, reliable and cost-effective 1GE based architecture for AV distribution for smaller AV applications.

Competition

The Company competes with a large number of companies in the broadcast equipment market. Competitors vary in size, product breadth, market expertise and geographic presence. Most competitors are relatively small in size and focus on specific sub-segments of the overall market while others, including divisions of large conglomerates, may have a broader product offering. Competition is based on a number of factors, including product innovation and development, reliability of product performance, breadth of product line, service and support, market presence and price. The Company competes with different companies across its product categories. Its principal competitors include:

- Grass Valley, Canada;
- EVS, Belgium;
- Lawo, Germany;
- Imagine Communications, United States;
- Ross Video, Canada;
- Sony Corporation, Japan;
- Riedel Communications, Germany; and
- Calrec Audio, United Kingdom;

Although some of these competitors are larger and better capitalized than the Company, management believes that the Company’s commitment to innovation and customer service allow it to compete effectively.

Sales, Marketing and Distribution

The Company sells primarily to technically sophisticated customers on the basis of product performance and features. The sales team is organized by geographical territory and product specialty, and targets major networks, multi-channel facilities, and centralized broadcasting, new media, Government, Corporate, and Higher Education opportunities. The team sells directly to end-users and to systems integrators. The Company also uses distributors primarily in international and smaller North American markets. The distributors are experienced industry experts, familiar with the Company's products and their local customer base.

Manufacturing

The Company designs, assembles, manufactures, develops, tests, packages and ships its products from its facilities located in Ontario, U.S.A. and the United Kingdom. The majority of the Company's products are designed and manufactured in Burlington, Ontario. The Company performs most of the critical manufacturing related functions in-house, including final integration and testing. In-house surface mount facilities in Ontario perform most of the Company's board assembly.

Suppliers

The Company's principal suppliers are manufacturers of electronic components, such as Texas Instruments and component distributors, such as Arrow Electronics Canada Ltd., Avnet International (CA) Ltd. and Future Electronics Inc. The Company cooperates with component manufacturers in order to obtain advanced information on their technological developments. In designing its equipment, the Company attempts to procure components from a number of alternate suppliers wherever possible.

Research and Development

The Company believes that research and development is a principal competitive advantage in its industry and that much of the Company's future success will depend on its ability to maintain its technological leadership by:

- Identifying and responding to emerging technological trends in the industry and the Company's target sectors;
- Designing, developing and maintaining competitive solutions to respond to end-users' changing needs; and
- Enhancing the Company's existing products by improving performance and adding features and functionality to meet specific end-user requirements thereby differentiating its products from those of its competitors.

The Company's research and development organization incorporates detailed feedback from its sales, and service departments, as well as from its end-users, to improve the Company's products. The Company also continuously improves its product designs in an effort to lower manufacturing costs.

Key Industry Drivers

The rapidly growing sub-markets of the larger broadcast and new media technology sector that we address are driven by key industry trends such as:

Technical Transition to IP Networking & IT File-based Workflow

IP is changing how the media and entertainment industry operate today and in the future. The growing popularity of internet entertainment has evolved consumer demand. Many consumers are shifting towards on-demand services and in response network operators have introduced IPTV as an alternative to cable and satellite programs. Using fiber networks, IPTV utilizes the internet to broadcast content based on the user's needs. The demand of IPTV is increasing as more network providers offer their content through on-demand services.

The migration to an IP-centric production allows facilities to operate in a collaborative IP-based ecosystem. IP transmission allows production facilities to consolidate their equipment at a central location which can be remotely accessed via a 10GE connection. An IP infrastructure allows assets and resources to be pooled and shared. As such, media organizations can maximize their utilization of resources, improve operations, accelerate workflows, and reduce overall CAPEX by eliminating equipment redundancies at various production sites.

High Definition Channel Proliferation, UltraHD and Increasing Live TV Content

Consumer demand for the superior quality of the HDTV viewing experience which offers greater resolution than standard definition digital video, has led to a rapid expansion of HDTV programming offered by network operators. The drivers of HDTV and similarly the emerging adoption of 4K/8K UltraHD include a number of factors, such as:

- Declining TV set prices; and
- Increasing availability of HDTV/UltraHD content.

Today most major sporting events are broadcast live in HDTV including the Fifa World Cup, Euro Cup, Superbowl, NCAA Basketball Tournament and UEFA Champions League along with NFL, MLB and NBA games.

The HD channel proliferation, increase in consumer demand for Live TV content and the emergence of UltraHD is expected to continue to motivate broadcast networks and other television service providers to invest in infrastructure.

Multi-platform Content Delivery, TV Everywhere

TV Everywhere, multi-platform content delivery (broadcast, cable, satellite, telco, internet, mobile) is top of mind with broadcast customers. The consumer demand for more channels with high quality compelling content delivered anywhere anytime and across a broad array of devices; is driving the industry technical transition to IP networking, file-based workflow and virtualized "Cloud" solutions".

Employees

The Company focuses on identifying, attracting and retaining talented, highly motivated, customer-focused, team-oriented employees to support its growth. Management views the Company's employees as an important competitive advantage. Historically, the Company has been highly successful in retaining its key employees, including members of management, by placing a high priority on creating and

fostering a rewarding, stimulating and secure work environment. As of April 30, 2023, the Company employed 1,950 (1,767 – 2022) people.

Foreign Operations

We currently have operations in Canada, U.S., U.K., Europe, Asia, and Middle East.

Intellectual Properties

In accordance with industry practice, the Company protects its proprietary product rights through a combination of patent, copyright, trade-mark and trade secret laws and contractual provisions.

Patent law offers some protection for the Company's current and future products. The Company maintains an active program regarding patent protection for novel elements of its products to improve the Company's competitive position. The Company's patent portfolio includes twenty-six patent families. Each of these families includes one or more U.S. patents or patent applications. Most of the patent families also include a Canadian patent or patent application. Several of the patent families also include patents in other jurisdictions in Europe and Asia.

The source code for the Company's software products and proprietary software embedded in its hardware products is protected under trade secret law and as unpublished copyrighted works. The Company recognizes, however, that effective copyright protection may not be available in some countries in which it distributes its products.

It is the Company's general practice to enter into confidentiality and non-disclosure agreements with its, consultants, manufacturers, channel partners and others to attempt to limit access to and distribution of its proprietary information. In addition, the Company licenses the use of its software products to its end-users and channel partners. These licenses, among other things, contain terms and conditions prohibiting the unauthorized reproduction, disclosure, reverse engineering or transfer of the Company's software products. In addition, the Company relies on agreements with end-users, manufacturers, suppliers, channel partners, employees and consultants in an attempt to protect its proprietary information.

Regulatory Environment

The Company's target markets are regulated by the Federal Communications Commission ("FCC") in the United States and by the Canadian Radio Television and Telecommunications Commission ("CRTC") in Canada. Many markets around the world have similar regulatory bodies. These agencies set policies governing the content and transmission of television broadcasting. In the United States, the FCC has mandated a transition to digital signal transmission.

The Company's operations are also subject to a variety of federal, provincial and local environmental laws and regulations. Such laws and regulations relate to, among other things, the discharge of contaminants into water and air and onto land, the disposal of waste, and the handling, storage and transportation of hazardous materials. The Company uses a limited amount of hazardous materials in its operations and management believes that the Company has conducted and is conducting its business in compliance with all applicable environmental laws in all material respects. In particular, the Company has taken steps to comply with Waste Electrical and Electronic Equipment ("WEEE") and Reduction of Hazardous Substances ("RoHS") Directives in the European Union.

The Company's products are also subject to standards set by industry groups such as the Society of Motion Picture and Television Engineers ("SMPTE"), Advanced Television Systems Committee ("ATSC"), European Broadcast Union ("EBU") and Audio Engineering Society ("AES"). While not legally binding, these standards are generally accepted by the industry and are followed as a matter of practice.

Although the Company's products are not normally designed for general consumer use, the Company has taken the extra step of securing approval from Underwriters Laboratories Inc., Canadian Standards Association and Conformité Européenne for most of its products.

RISK FACTORS

The Company is exposed to a variety of risks in the normal course of operations that could significantly affect our performance and could cause our actual results to differ in material respects from our anticipated results. These risks are discussed below and are in addition to those outlined elsewhere in this Annual Information Form and in our filings with the Canadian securities regulatory authorities, including management's discussion and analysis of financial condition and results of operations for the year ended April 30, 2023, available on SEDAR at www.sedar.com.

Risks Related to Us and Our Business

Failure to manage the Company's growth successfully may adversely impact its operating results

The growth of the Company's operations places a strain on managerial, financial and human resources. The Company's ability to manage future growth will depend in large part upon a number of factors, including the ability of the Company to rapidly:

- Build a network of channel partners to create an expanding presence in the evolving marketplace for the Company's products and services in North America and around the world;
- Build a sales team to keep end-users, distributors and systems integrators informed regarding the technical features, issues and key selling points of its products and services;
- Attract and retain qualified technical personnel in order to continue to develop reliable and flexible products and provide services that respond to evolving customer needs;
- Develop support capacity for end-users as sales increase, so that the Company can provide post-sales support without diverting resources from product development efforts; and
- Expand the Company's internal management and financial controls significantly, so that the Company can maintain control over its operations and provide support to other functional areas as the number of personnel and size increases.

The Company's inability to achieve any of these objectives could harm the Company's business, financial condition and results of operations.

The Company may infringe on the intellectual property rights of others

The Company's commercial success depends, in part, upon the Company not infringing intellectual property rights owned by others. A number of the Company's competitors and other third parties have been issued patents and may have filed patent applications or may obtain additional patents and proprietary rights for technologies similar to those used by the Company in its products. Some of these patents may grant very broad protection to the owners of the patents. The Company cannot determine

with certainty whether any existing third party patents or the issuance of any third party patents would require it to alter its technology, obtain licenses or cease certain activities. The Company may become subject to claims by third parties that its technology infringes their intellectual property rights due to the growth of products in the Company's target markets, the overlap in functionality of these products and the prevalence of products. The Company may become subject to these claims either directly or through indemnities against these claims that it routinely provides to its end-users and channel partners.

The Company has received, and may receive in the future, claims from third parties asserting infringement and other related claims. Litigation may be necessary to determine the scope, enforceability and validity of third party proprietary rights or to establish the Company's proprietary rights. Some of the Company's competitors have, or are affiliated with companies having, substantially greater resources than the Company and these competitors may be able to sustain the costs of complex intellectual property litigation to a greater degree and for a longer period of time than the Company. Regardless of their merit, any such claims could:

- Be time consuming to evaluate and defend;
- Result in costly litigation;
- Cause product shipment delays or stoppages;
- Divert management's attention and focus away from the business;
- Subject the Company to significant liabilities;
- Require the Company to enter into costly royalty or licensing agreements; and/or
- Require the Company to modify or stop using the infringing technology.

The Company's quarterly revenue and operating results can be difficult to predict and can fluctuate substantially, which may harm its results of operation

The Company's revenue is difficult to forecast and is likely to fluctuate significantly from quarter to quarter. In addition, the Company's operating results may not follow any past trends. The factors affecting the Company's revenue and results, many of which are outside of its control, include:

- Competitive conditions in the industry, including strategic initiatives by the Company or its competitors, new products or services, product or service announcements and changes in pricing policy by the Company or its competitors;
- Market acceptance of the Company's products and services;
- The Company's ability to maintain existing relationships and to create new relationships with channel partners;
- The discretionary nature of purchase and budget cycles of the Company's end-users and changes in their budgets for, and timing of, purchases of television broadcast related equipment;
- The length and variability of the sales cycles for the Company's products;
- Strategic decisions by the Company or its competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- General weakening of the economy resulting in a decrease in the overall demand for television broadcast equipment; and/or
- Timing of product development and new product initiatives.

Because the Company's quarterly revenue may be dependent upon a relatively small number of transactions, even minor variations in the rate and timing of conversion of its sales prospects into revenue could cause it to plan or budget inaccurately, and those variations could adversely affect its financial

results. Delays, reductions in the amount or cancellations of end-users' purchases could adversely affect the Company's business, results of operations and financial condition.

The Company faces intense competition and if it does not compete effectively, its revenue may not grow and could decline

The Company has experienced, and expects to continue to experience, intense competition from a number of companies. The Company's competitors may announce new products, services or enhancements that better meet the needs of end-users or changing industry standards. Further, new competitors or alliances among competitors could emerge. Increased competition may cause price reductions, reduced gross margins and loss of market share, any of which could have a material adverse effect on the Company's business, financial condition and results of operations.

Several of the Company's competitors and potential competitors have significantly greater financial, technical, marketing or service resources than the Company. Several of these companies also have a larger installed base of products, have longer operating histories or have greater name recognition than the Company.

The industry in which the Company operates is characterized by rapid technological changes, and the Company's continued success will depend upon its ability to react to such changes

The markets for the Company's products are characterized by rapidly changing technology, evolving industry standards and increasingly sophisticated customer requirements. The introduction of products embodying new technology and the emergence of new industry standards can render the Company's existing products obsolete and unmarketable and can exert price pressures on existing products. The success of the Company is dependent upon its ability to be able to anticipate and react quickly to changes in technology or in industry standards and to successfully develop and introduce new, enhanced and competitive products on a timely basis. The Company cannot give assurance that it will successfully develop new products or enhance and improve its existing products, that new products and enhanced and improved existing products will achieve market acceptance or that the introduction of new products or enhanced existing products by others will not render the Company's products obsolete. The Company's inability to develop products that are competitive in technology and price and that meet end-user needs could have a material adverse effect on the Company's business, financial condition or results of operations.

Ability to protect the Company's intellectual property

If the Company's intellectual property is not adequately protected, the Company may lose its competitive advantage. The Company's success depends in part on its ability to protect its rights in its intellectual property. The Company relies on various intellectual property protections, including patents, copyright, trademark and trade secret laws and contractual provisions, to preserve its intellectual property rights. Despite these precautions, it may be possible for third parties to obtain and use the Company's intellectual property without its authorization. Policing unauthorized use of intellectual property is difficult, and some foreign laws do not protect proprietary rights to the same extent as the laws of Canada, the United States or the United Kingdom.

To protect the Company's intellectual property, the Company may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays,

materially disrupt the conduct of the Company's business or adversely affect its revenue, financial condition and results of operations.

The Company's margins and operating results may be adversely affected if it is required to change its pricing models to compete or due to higher costs of production

The intensely competitive market in which the Company conducts its business may require it to reduce its prices. If the Company's competitors offer deep discounts on certain products or services in an effort to recapture or gain market share or to sell other products and services, the Company may be required to lower prices or offer other favourable terms to compete successfully. Any such changes would reduce the Company's margins and could adversely affect the Company's operating results.

The Company's ability to recruit and retain management and other qualified personnel is crucial to its ability to develop, market, sell and support its products and services

The Company depends on the services of its key technical, sales, marketing and management personnel. The loss of any of these key persons could have a material adverse effect on the Company's business, results of operations and financial condition. The Company's success is also highly dependent on its continuing ability to identify, hire, train, motivate and retain highly qualified technical, sales, marketing and management personnel. Competition for such personnel can be intense, and the Company cannot provide assurance that it will be able to attract or retain highly qualified technical, sales, marketing and management personnel in the future. The Company's inability to attract and retain the necessary technical, sales, marketing and management personnel may adversely affect its future growth and profitability. It may be necessary for the Company to increase the level of compensation paid to existing or new employees to a degree that its operating expenses could be materially increased.

Reliance on manufacturing and assembly facilities

The Company's revenues are dependent on the continued operations of its manufacturing and assembly facilities. The operation of the Company's manufacturing and assembly facilities in Ontario involves some risks, including the failure or substandard performance of equipment, natural disasters, delays in obtaining raw production materials and components, plant shutdowns and labour disruptions. The Company does not generally carry a large inventory of finished products, and therefore any significant interruption in production could have a material adverse effect on its business, financial condition and results of operations.

Ability to manage product obsolescence

As the Company develops new products, many of its older products will reach the end of their operating life. As the Company discontinues the manufacturing and sale of these older products, it must manage the liquidation of inventory, supplier commitments and customer expectations. If the Company is unable to properly manage the discontinuation of these older products, this could have a material adverse effect on the Company's business, financial condition and results of operations.

Product defects could adversely affect the Company's business

If any of the Company's products prove defective, the Company may be required to redesign or recall such products. A redesign or recall may cause the Company to incur significant expenses, disrupt sales and

adversely affect its reputation and products, any one or a combination of which could have a material adverse effect on the Company's business, financial condition and results of operations.

Warranty and Product liability claims

The Company provides product warranties that typically run for one year and the Company offers its customers the opportunity to purchase extended warranties. If the Company's products fail to perform as warranted and the Company is unable to resolve product quality or performance issues in a timely manner, the Company may lose sales or be forced to pay damages. In addition, because the Company's products are sold and marketed in different countries, the products must function in and meet the requirements of many different broadcast and communication environments and be compatible with various broadcast and communication systems and products. Any failure of the Company's products to meet these requirements could have a negative impact on sales and a material adverse effect on the Company's business, results of operations and financial condition. Further, there is a risk that customers may uncover latent defects in the Company's products that were not apparent at the time the product was sold. This type of defect may be discovered before or after the warranty period has expired. Performance failure due to a defect may cause loss of customers, damage to the Company's reputation for delivering high-quality products, delay in or loss of market acceptance, additional warranty expense or costs associated with product recall.

Reliance on third party suppliers

The Company relies on third-party suppliers, in some cases sole suppliers or limited groups of suppliers, to provide the Company with materials and components necessary for the manufacture of its products. As a result of worldwide demand for and shortage of components, some suppliers have from time to time limited the number of components the Company may purchase. If the Company is unable to obtain sufficient allocations of these components, its production and shipment of products will be delayed, it may lose customers and its profitability will be affected. Reliance on suppliers also reduces the Company's control over production costs, delivery schedules, reliability and quality of materials. Any inability to obtain timely deliveries of quality materials, or any other circumstances that would require the Company to seek alternative suppliers, could adversely affect the Company's ability to deliver products to its customers. In addition, the Company regularly outsources limited aspects of the manufacturing of its products to contract manufacturers and a significant increase in the price of the services provided by these manufacturers, or delays in their deliveries, could have a material adverse effect on the Company's business, financial condition and results of operations.

During fiscal 2022 and 2023, the Company has been subjected to significant global supply chain disruptions, including a global semi-conductor chip shortage that has caused the Company to experience unstable procurement capabilities leading to increased lead times and increased component costs. The Company has taken proactive steps to maximize the impact, resulting in a significant increase in the value of raw materials held.

The timing and nature of regulatory rulings may result in unforeseen variability in revenues and operations

The broadcasting and communications industries are regulated by the Federal Communications Commission in the United States, the Canadian Radio-Television and Telecommunications Commission in Canada and by similar regulatory bodies throughout the world. These agencies have made rulings in

recent years relating to the adoption of new standards for broadcasters. The timing and nature of these rulings may impact the equipment purchased by broadcasters and telecommunications companies, which may result in the Company experiencing unforeseen variability in revenues and operations results.

Transfer pricing

The Company conducts business operations in various jurisdictions and through legal entities in various jurisdictions. The Company and certain of its subsidiaries provides products and services to, and may from time to time undertake certain significant transactions with, other currently existing or new subsidiaries in different jurisdictions. The tax laws of these jurisdictions, including Canada, have detailed transfer pricing rules which require that all transactions with non-resident related parties be priced using arm's length pricing principles and that contemporaneous documentation must exist to support such pricing. The taxation authorities in the jurisdictions where the Company carries on business could challenge its arm's length related party transfer pricing policies. International transfer pricing is a subjective area of taxation and generally involves a significant degree of judgment. If any of these taxation authorities are successful in challenging the Company's transfer pricing policies, the Company's income tax expense may be adversely affected and the Company could also be subjected to interest and penalty charges. Any such increase in the Company's income tax expense and related interest and penalties could have a significant impact on the Company's future earnings and future cash flows.

International sales and operations

The Company derives a significant portion of its revenues from international sales. The Company also plans to continue to expand its international sales and marketing efforts. There are a number of risks inherent in the Company's international business activities, including unexpected changes in Canadian, United States, British or other government policies concerning the import and export of goods, services and technology and other regulatory requirements, tariffs and other trade barriers, costs and risks of localizing products for foreign countries, higher credit risks, potentially adverse tax consequences, limits on repatriation of earnings and the burdens of complying with a wide variety of foreign laws. Fluctuations in currency exchange rates could materially adversely affect sales denominated in currencies other than the Canadian dollar and cause a reduction in revenues derived from sales in a particular country. The financial and/or geopolitical stability of foreign markets could also affect the Company's international sales. There can be no assurance that such factors will not materially adversely affect the revenues from the Company's future international sales and, consequently, its results of operations. In addition, revenues that the Company earns abroad may be subject to taxation by more than one jurisdiction, which could materially adversely affect the Company's earnings. Each of these factors could have an adverse effect on the Company's business, financial condition and results of operations.

Tax matters including research and development tax credits

Although management is of the view that all expenses and tax credits claimed by the Company, including research and development expenses and related tax credits, are reasonable and deductible and have been correctly determined, there can be no assurance that the Canadian taxation authorities will agree. If the Canadian taxation authorities successfully challenge such expenses or the correctness of such income tax credits claimed, the Company's operating results could be adversely affected. If the Canadian taxation authorities reduce the tax credit either by reducing the rate of the grant or the eligibility of some research and development expenses in the future, the Company's operating results will be adversely affected.

The majority of the Company's research and development activities are conducted in Ontario. The Company participates in government programs with both the federal government and the Government of Ontario that provide research and development tax credits based upon qualifying research and development expenditures. These expenditures primarily consist of the salaries of the persons conducting research and development activities. If these research and development tax credits are reduced or eliminated, this may adversely affect the Company's business, financial condition and results of operations.

Network Infrastructure and Security

Any significant disruption in or unauthorized access to the Company's networks infrastructure and related systems, including those relating to cybersecurity or arising from cyber-attacks, could result in a degradation of service, unauthorized disclosure of data, or theft of intellectual property, any of which may adversely affect the Company's business, financial condition, and results of operations.

The Company faces the risk of a security breach or other significant disruption of its network infrastructure and related systems, whether through cyber-attack or cyber intrusion via the Internet, malware, computer viruses, and deliberate malfeasance of persons with access to our systems, or as a result of natural disasters and power losses.

A security breach or other significant disruption involving the Company's network infrastructure and related systems could disrupt the proper functioning of these networks and systems and therefore the Company's operations and/or those of certain of its customers; result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of, proprietary, confidential, sensitive or otherwise valuable information of the Company or its customers or suppliers, including trade secrets, which could damage the Company's reputation with its customers; could damage our customers' business and reputation; and require remediation and incident response costs.

There can be no assurance that the Company's security efforts and measures will be effective or that attempted security breaches or disruptions will not be successful or damaging. Even the most well protected information, networks, systems and facilities remain potentially vulnerable given attempted security breaches, particularly cyber-attacks and intrusions, are constantly evolving and potentially not recognizable until launched against a target. Accordingly, the Company may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures to entirely mitigate this risk.

The Company may be unable to identify and complete acquisitions

Acquisitions if identified and completed, could divert management's attention and financial resources which may negatively affect the Company's operating results and could cause significant dilution to shareholders.

In the future, the Company may engage in selective acquisitions of products or businesses that it believes are complementary to its products or business. There is a risk that the Company will not be able to

identify suitable acquisition candidates available for sale at reasonable prices, complete any acquisition, or successfully integrate any acquired product or business into its operations. The Company is likely to face competition for acquisition candidates from other parties including those that have substantially greater available resources. Acquisitions may involve a number of other risks, including:

- Diversion of management's attention;
- Disruption to the Company's ongoing business;
- Failure to retain key acquired personnel;
- Difficulties in integrating acquired operations, technologies, products or personnel;
- Unanticipated expenses, events or circumstances;
- Assumption of disclosed and undisclosed liabilities; and/or
- Inappropriate valuation of the acquired in-process research and development, or the entire acquired business.

If the Company does not successfully address these risks or any other problems encountered in connection with an acquisition, the acquisition could have a material adverse effect on the Company's business, results of operations and financial condition. Problems with an acquired business could have a material adverse effect on the Company's performance or its business as a whole. In addition, if the Company proceeds with an acquisition, the Company's available cash may be used to complete the transaction, diminishing its liquidity and capital resources, or shares may be issued which could cause significant dilution to existing shareholders.

Mergers or other strategic transactions by the Company's competitors could weaken the Company's competitive position or reduce its revenue

If two or more of the Company's competitors were to merge or partner, the change in the competitive landscape could adversely affect the Company's ability to compete effectively. The Company's competitors may also establish or strengthen co-operative relationships with their respective sales channel partners or other parties with whom the Company has strategic relationships, thereby limiting the Company's ability to promote its products. Disruptions in the Company's business caused by these events could reduce revenue.

Economic and geopolitical uncertainty may negatively affect the Company

The market for the Company's products depends on economic and geopolitical conditions affecting the broader market. Global economic and geopolitical conditions are beyond the Company's control. In addition, global pandemics, acts of terrorism and the outbreak of hostilities and armed conflicts between countries can create geopolitical uncertainties that may affect the global economy. Downturns in the economy or geopolitical uncertainties may cause end-users to delay or cancel projects, reduce their overall broadcast equipment budgets or reduce or cancel orders for the Company's products, which could have a material adverse effect on its business, results of operations and financial condition.

Currency fluctuations may adversely affect the Company

A substantial portion of the Company's revenue is earned in US dollars, but a substantial portion of the Company's operating expenses is incurred in Canadian dollars. Fluctuations in the exchange rate between the US dollar and other currencies, such as the Canadian dollar, may have a material adverse effect on the Company's business, financial condition and operating results. Similarly, a portion of the Company's sales is realized and expenses are incurred in pounds sterling. Consequently, fluctuations in

the exchange rate between the United Kingdom pound sterling, Euros and other currencies, such as the Canadian dollar, may also have an effect on the Company's business, financial condition and operating results.

The Company's share price will fluctuate

The market price of the Common Shares may be volatile and could be subject to wide fluctuations due to a number of factors, including:

- Actual or anticipated fluctuations in the Company's results of operations;
- Changes in estimates of the Company's future results of operations by it or securities analysts;
- Announcements of technological innovations or new products or services by the Company or its competitors;
- General industry changes in the market for broadcast equipment or related markets; and/or
- Other events or factors.

In addition, the financial markets have experienced significant price and value fluctuations that have particularly affected the market prices of equity securities of many technology companies and that sometimes have been unrelated to the operating performance of these companies. Broad market fluctuations, as well as economic conditions generally and in the broadcast equipment industry specifically, may adversely affect the market price of the Common Shares.

Future sales of common shares by the Company's existing shareholders could cause the Company's share price to fall

If the Company's existing shareholders sell substantial amounts of the Company's common shares in the public market, the market price of the Company's common shares could fall. The perception among investors that these sales will occur could also produce this effect.

Romolo Magarelli and Doug DeBruin maintain de facto control of the Company

The Company's Chairman and Executive Vice President, Admin, Doug DeBruin and the Company's CEO Romolo Magarelli, who is also a director, beneficially own or control, directly or indirectly, in the aggregate approximately 63% of the outstanding Common Shares. If the principals act together, they will have the ability to control all matters submitted to the Company's shareholders for approval, including the election and removal of directors, amendments to the Company's articles and bylaws and the approval of any business combination, amalgamation or sale of assets. This may delay or prevent an acquisition or cause the market price of the Common Shares to decline. The principal shareholders may have interests that differ from other shareholders.

DIVIDEND POLICY

The Company's Board has adopted a policy of paying quarterly dividends going forward subject to the Company's results of operations, capital requirements and its business environment. The Company paid dividends of \$0.74 per share in fiscal 2023, (\$1.72 in fiscal 2022, including a special dividend of \$0.90, and \$0.54 in fiscal 2021).

DESCRIPTION OF SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares ("Common Shares") without par value and an unlimited number of preference shares ("Preference Shares"), issuable in one or more series.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend all annual and special meetings of shareholders of the Company and to one vote in respect of each Common Share held at all such meetings. The holders of the Common Shares are entitled, at the discretion of the Board of Directors, to receive out of any or all of the Company's profits or surplus properly available for the payment of dividends, any dividend declared by the Board of Directors and payable by the Company on the Common Shares. The holders of the Common Shares will participate ratably in any distribution of the Company's assets upon the Company's liquidation, dissolution or winding-up or other distribution of the Company's assets among its shareholders for the purpose of winding up the Company's affairs. Any participation in the Company's assets will be subject to the rights, privileges, restrictions and conditions attached to any of the Company's securities issued and outstanding at such time ranking in priority to the Common Shares upon the Company's liquidation, dissolution or winding-up.

Preference Shares

The Board of Directors may issue Preference Shares at any time and from time to time in one or more series. The Company's Board of Directors will have the authority to issue Preference Shares in series and determine the price, number, designation, rights, privileges, restrictions and conditions, including dividend rights, of each series without further vote or action by shareholders. With respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, the Preference Shares will rank in priority to the Common Shares. At this time, the Company has no current plans to issue any Preference Shares.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information which appears under the heading "Management's Discussion and Analysis" in our April 30, 2023 financial reports is incorporated herein by reference.

MARKET FOR SECURITIES

Our common shares are listed for trading on the Toronto Stock Exchange (symbol "ET").

The following table sets forth the reported high and low closing prices and trading volume of our common shares as reported by the Toronto Stock Exchange, on a monthly basis, for the 2023 fiscal year.

Year Ended April 30, 2023	High \$	Low \$	Volume
May 2022	14.67	13.59	240,865
June 2022	13.90	12.36	211,747
July 2022	14.55	12.60	181,396
August 2022	14.80	13.73	187,922
September 2022	15.01	12.28	192,420
October 2022	12.48	11.05	284,266
November 2022	12.32	11.25	174,768
December 2022	12.92	11.91	379,054
January 2023	13.44	11.96	217,299
February 2023	12.78	12.26	247,261
March 2023	12.18	10.15	765,295
April 2023	12.31	11.09	373,723

DIRECTORS AND OFFICERS

The following table sets out, for each of the Company's directors and executive officers, the person's name, municipality of residence, age, position within the Company, principal occupation and how long they have served as a director or officer of the Company. The term of office for each of the directors will expire at the time of the Company's next annual meeting of the shareholders and until each director's successor is elected and qualified or until the director's earlier death, resignation or removal. As of April 30, 2023, Evertz Technologies Limited directors and officers as a group own, directly or indirectly, or exercised control or direction over, an aggregate of 51,806,000 Common Shares (representing 68% of the issued and outstanding Common Shares).

Name and Municipality of Residence	Position(s) with the Company	Principal Occupation	Director or Officer Since
ROMOLO MAGARELLI Ontario, Canada	Director, President and Chief Executive Officer	President and Chief Executive Officer	1997
DOUGLAS A. DEBRUIN, CPA, CA Ontario, Canada	Director, Chairman of the Board of Directors, Executive Vice-President, Admin.	Executive Vice-President Admin.	1997
CHRISTOPHER M. COLCLOUGH Ontario, Canada ^{(1) (2)}	Director	Corporate Director	2005
DR. THOMAS V. PISTOR California, United States ⁽¹⁾	Director	President and Chief Executive Officer of Panoramic Technology Inc.	2006
DR. IAN L. McWALTER Ontario, Canada ^{(1) (2)}	Director	Corporate Director	2006
BRIAN PICCIONI Ontario, Canada	Director	Corporate Director	2015
RAKESH PATEL Ontario, Canada	Director, Chief Technology Officer	Chief Technology Officer	2002
BRIAN CAMPBELL Ontario, Canada	Executive Vice-President, Business Development	Executive Vice-President Business Development	2005
DOUGLAS MOORE, CPA, CA Ontario, Canada	Chief Financial Officer Corporate Secretary	Chief Financial Officer	2019

SUBSIDIARY OFFICERS:

ERIC FANKHAUSER Ontario, Canada	Vice-President, Advanced Engineering	Vice-President, Advanced Engineering	2000
SIMON REED United Kingdom	Managing Director Evertz UK	Managing Director Evertz UK	2005
VINCE SILVESTRI Ontario, Canada	Vice-President Software Systems	Vice-President Software Systems	2011
ROBERT PETER Ontario, Canada	Vice-President of International Operations	Vice-President of International Operations	2014
JEFF MARKS Ontario, Canada	Vice-President of Manufacturing	Vice-President of Manufacturing	2014
DANIEL TUROW Ontario, Canada	Vice-President of File Based Solutions & Chief Information Officer	Vice-President of File Based Solutions & Chief Information Officer	2015
PAULO FRANCISCO Ontario, Canada	Vice-President of Engineering Evertz AV Division	Vice-President Engineering Evertz AV Division	2016
MARSHA GARNER Ontario, Canada	Vice-President Inside Sales and Admin.	Vice-President Inside Sales and Admin.	2017
OREST HOLYK Ontario, Canada	Vice-President Sales - USA	Vice-President Sales - USA	2018
JEREMY BLYTHE Ontario, Canada	Vice-President Engineering - Media Distribution	Vice-President Engineering - Media Distribution	2022

Notes:

(1) Member of the Audit Committee

(2) Member of the Compensation Committee

Biographies

The following are brief profiles of the Company's executive officers and directors.

Romolo Magarelli, President and Chief Executive Officer

Romolo Magarelli joined Evertz in 1997. Mr. Magarelli has more than 15 years of high technology design and manufacturing experience. Prior to joining Evertz, Mr. Magarelli was employed at Leitch Corporation from 1991 to 1997 most recently as Senior Manager of Hardware Development. Mr. Magarelli is a professional engineer and holds a Bachelor of Electrical Engineering degree from the University of Waterloo and is a member of Professional Engineers of Ontario, an association that licences and regulates engineers in the province of Ontario.

Douglas A. DeBruin, Executive Vice-President, Admin.

Douglas DeBruin joined Evertz in 1997. Mr. DeBruin has more than 20 years of high technology, financial and manufacturing experience. Prior to joining Evertz, Mr. DeBruin was Vice-President, Controller and Corporate Secretary of Leitch Technology Corporation and served as a member of the Boards of Directors of Leitch Technology International Inc. and Leitch Europe Limited. Mr. DeBruin worked at Leitch Technology Corporation from 1990 to 1997 and was significantly involved in its initial public offering in 1994 and its public market activities. Mr. DeBruin obtained his Chartered Accountant Designation in 1989 after articling with Ernst & Young, Chartered Accountants and graduated from University of Western Ontario.

Christopher M. Colclough

Christopher Colclough is an engineer with extensive experience in senior management, high technology and manufacturing. Mr. Colclough founded Hazcol Metal Fabrication Ltd., a supplier of custom metalwork for the electronics industry, and managed the company as President for 13 years. He sold the company to Leitch Technology Corporation in 1995 and remained as President of a division of Leitch Technology Corporation until 1998 when he retired from office. Mr. Colclough was educated in the U.K. as a production engineer.

Dr. Thomas V. Pistor

Dr. Thomas Pistor has been President and Chief Executive Officer of Panoramic Technology Inc., a developer and global supplier of advanced optical micro lithography simulation software for the semiconductor industry, since 1999. In addition to his experience in the semiconductor company, Dr. Pistor has several years working experience as a hardware design engineer in the industrial automation, aerospace and digital video industries. Dr. Pistor received a B.A.Sc. in 1995 in electrical engineering with options in mathematics and physics from the University of Waterloo, Canada. Dr. Pistor went on to receive an M.A.Sc. in 1997 and a Ph.D. in 2001 in electrical engineering from the University of California at Berkeley.

Dr. Ian L. McWalter

Dr. McWalter has extensive R&D and business expertise in the global Microsystems industry. Dr. McWalter was the President and CEO of CMC Microsystems. CMC Microsystems provides microsystems researchers with industry-calibre design resources, access to state-of-the-art prototyping technologies, tools for test and support services. Prior to this Dr. McWalter was Chief Executive Officer of Toumaz Technology Ltd. in the United Kingdom from January 2006 to June 2007, where he focused on the development of new markets for ultra-low power silicon devices in medical applications. Prior to joining Toumaz, Dr. McWalter spent 15 years at Gennum Corporation in Burlington, Ontario, including

five years as President and CEO from April 2000 to November 2005. During his tenure at Gennum, he also served as Executive Vice President and Chief Operating Officer from 1997 to 2000; as Vice-President, Manufacturing Operations from 1994 to 1997; and as Vice-President, Research & Development from 1991 to 1994. His career started with two years at Plessey Semiconductors, a British technology and communications company, followed by 13 years at Bell Northern Research Ltd., the research and development arm of Northern Telecom and Bell Canada, where he held a variety of management positions with a focus on design and development. Dr. McWalter was awarded a Ph.D. in electrical engineering from the Imperial College of Science and Technology in London, England in 1977, and a B.Sc. in physics from the same institution in 1972.

Brian Piccioni

Brian Piccioni has been involved in capital markets for over 25 years. From 2015 until 2018, Mr. Piccioni was a Senior Technology Strategist at BCA Research (“BCA”), the largest provider of subscription research to the investment community. Before joining BCA, Mr. Piccioni was an award winning equity research analyst with BMO Capital Markets. Prior to his career in the capital markets, Mr. Piccioni spent 12 years as a digital electronics designer and maintains an active interest in hardware and software development. Mr. Piccioni is a Chartered Financial Analyst, has completed the Institute of Corporate Directors, Directors Education Program, and received an MBA from Concordia University in 1992 and a BSc from McGill University in 1987.

Brian Campbell, Executive Vice-President, Business Development

Brian Campbell joined Evertz in 2005 as Executive Vice-President, Business Development. Prior to joining Evertz, Mr. Campbell served eight years as Managing Director in the investment banking industry. Mr. Campbell was a member of the Operating Committee at National Bank Financial and Venture Capital Investment Committee member for the Edgestone N.B. Affiliate Funds from 2001 through 2003. In 2004, Mr. Campbell founded Campbell & Partners Capital Inc. which provides financial consulting and merger and acquisition advisory services to selected corporate clients, and has served as a director on the boards of Fuel Cells Canada, LINMOR Inc., Genesis Microchip Inc., Bulldog Group acquired by Documentum a division of EMC Corporation, Messaging Direct acquired by Transaction Systems Architects and Inverpower Controls. Mr. Campbell was employed by Allied Signal Aerospace for six years where he was a systems design group leader and project engineer. Mr. Campbell is a professional engineer and holds a B.Sc. Electrical Engineering degree from the University of Waterloo and an M.B.A. degree from the University of Western Ontario.

Rakesh Patel, Chief Technology Officer

Rakesh Patel joined Evertz in 1998. Prior to joining Evertz, Mr. Patel worked at Leitch Corporation from 1995 to 1998, most recently as Design Engineer. Mr. Patel received a Bachelor of Engineering from University of Waterloo and is a member of Professional Engineers of Ontario, an association that licences and regulates engineers in the province of Ontario.

Douglas Moore, Chief Financial Officer

Douglas Moore joined Evertz in 2010. Prior to becoming Chief Financial Officer, Mr. Moore most recently acted as the Director of Finance at Evertz. Prior to joining Evertz, Mr. Moore worked at Deloitte LLP from 2003 to 2010, most recently as an Audit Manager. Mr. Moore received his Bachelor of Accounting Honours Degree from Brock University in 2005 and received his Chartered Accountant Designation in 2006.

Subsidiary Officers:

Eric Fankhauser, Vice-President, Advanced Product Development

Eric Fankhauser joined Evertz in 2000. Prior to joining Evertz, Mr. Fankhauser worked at Gennum Corporation from 1984 to 2000 most recently as Director of Marketing, Video and Business Development. Mr. Fankhauser received an Electronics Engineering Technology Diploma from Niagara College in 1984.

Simon Reed, Managing Director, Evertz UK

Simon Reed joined Evertz UK in 1992. Prior to joining Evertz UK, Mr. Reed worked for numerous broadcast equipment, design and manufacturers from 1985 to 1992 including Cox Electronics and Plessey Naval Displays. Mr. Reed was educated at London University from 1982 to 1985 and received a B.Sc. in Electronic Engineering.

Vince Silvestri, Vice-President of Software Systems

Vince Silvestri joined Evertz as an intern in 2000 before starting full-time in 2002. Prior to becoming the Vice-President of Software Systems, Mr. Silvestri acted as the Director of Advanced Software. Mr. Silvestri received a Bachelor of Computer Science from McMaster University in 2002.

Robert Peter, Vice-President of International Operations

Robert Peter joined Evertz as Director of Systems Engineering in 2008. Prior to joining Evertz, Mr. Peter was Director of Engineering and Operations at Echostar Communications and Dish Network. Mr. Peter also held senior operations and engineering positions with Bell TV's Direct to Home Satellite, Showcase and History Television (Shaw Media), YTV and Treehouse Television (Corus Entertainment) and Trinidad and Tobago Television during the last 30 years in television broadcasting.

Jeff Marks, Vice-President of Manufacturing

Jeff Marks joined Evertz in 2003. Prior to joining Evertz, Mr. Marks worked at Celestica from 1998 to 2003 holding various positions in manufacturing. Prior to becoming Vice President of Manufacturing, Mr. Marks acted as Director of Manufacturing. Mr. Marks graduated with a Bachelor's degree from the University of Toronto in 1998.

Dan Turow, Vice President, File Based Solutions & Chief Information Officer

Dan Turow joined Evertz in 2006. Prior to becoming Vice-President of File Based Systems, Mr. Turow acted as Sr. Director of Product Development with responsibility for Evertz' server product line and its modular infrastructure product line. Prior to joining Evertz, Mr. Turow was Director, Image Processing Products at Gennum Corporation. Mr. Turow received a Bachelor's of Engineering Physics degree and a Master's of Business Administration (MBA) degree from McMaster University.

Paulo Francisco, Vice-President of Engineering, AV Division

Paulo Francisco joined Evertz in June of 2016. Prior to becoming Vice-President, Evertz AV Division, Mr. Francisco was Group Director of Desktop Product Development with Mitel Networks (2014-2016) and post merger with Aastra Technologies (2000-2014) where he was Vice-President of Video Technology & Development responsible for Telecom, Digital Video and Unified Collaboration. Before joining Aastra Technologies, Mr. Francisco was Senior Manager of CDMA Development for Bell Mobility (1994-2000) and a RF Design Engineer with General Electric Aerospace (1991-1994). Mr. Francisco holds a B.A.Sc. in Electrical Engineering from the University of Waterloo and a M.Eng. in Electrical Engineering from the University of Toronto.

Marsha Garner, Vice-President, Inside Sales and Administration

Marsha Garner joined Evertz in 1998 after completing her Bachelor of Arts from McMaster University. Prior to becoming the Vice-President of Inside Sales & Administration, Ms. Garner acted as Director of Inside Sales & Administration, responsible for the co-ordination of all sales activities across Evertz subsidiaries as well as all major dealers, system integrators and Evertz sales executives.

Orest Holyk, Vice-President Sales, US

Orest Holyk joined Evertz in 2001. During his 18 years at Evertz, Orest started his career as a Product Development Manager, introducing and managing the AVM – the modular Audio/Video signal monitoring product line, followed by the multi-video display monitor and processor products – MVP™ and VIP™. Orest also initiated Evertz's VistaLINK™ SNMP-based configuration and monitoring software, as well as the vendor interoperability program. Orest was promoted to Director of Sales in 2007, and focused on growing the NYC/North East US market. Mr. Holyk earned his B.Eng. (Engineering Physics) from McMaster University in Hamilton, ON, and an MBA from the York's Schulich School of Business. Previously Orest held the position of Product Manager at Gennum Corporation. Mr. Holyk is a member of SBE.

Jeremy Blythe, Vice-President of Engineering, Media Distribution

Jeremy Blythe joined Evertz in 2010. Prior to joining Evertz, Jeremy worked at Pharos Communications from 1998 to 2010, most recently as Head of Software Development, responsible for media asset management and playout automation systems. From 1997 to 1998, Mr. Blythe was a Software Engineer at ProBel. Mr. Blythe received a Bachelor of Science, Honors, in Computer Science from the University of Warwick, UK, in 1997.

COMMITTEES, CORPORATE GOVERNANCE AND INSURANCE

Committees of the Board of Directors

The following committees are currently in place: Audit Committee and Compensation Committee. The mandates of the Audit Committee and Compensation Committee are summarized below. All members of the Audit Committee and Compensation Committee will be “independent” within the meaning of applicable securities laws.

Audit Committee

The Audit Committee will assist the Board of Directors in fulfilling its responsibilities for oversight and supervision of financial and accounting matters. The Committee will supervise the adequacy of internal accounting controls and financial reporting practices and procedures and the quality and integrity of audited and unaudited financial statements, including through discussions with external auditors. The Committee will review business plans and operating and capital budgets. The Committee will be responsible for ensuring efficient and effective assessment of management of risk throughout the Company. The Audit Committee will comply with all requirements under applicable securities legislation and the rules of the TSX.

The Audit Committee consists of Ian McWalter, Christopher Colclough and Thomas Pistor. All three are considered independent and financially literate for purposes of applicable Canadian Corporate governance policies and the full text of the Audit Committee charter is included as Schedule A of this AIF.

External Auditor Service Fees

As set out in the Audit Committee's charter (attached as Schedule A to this AIF) the Audit Committee is responsible for pre-approving all non-audit services to be provided to the Company by its external auditor.

The Company's appointed external auditor is BDO Canada LLP. The following table sets out the approximate fees the Company incurred in using the services of BDO Canada LLP for the fiscal year ended April 30, 2023 and fiscal year ended April 30, 2022.

	Fiscal year ending April 30, 2023	Fiscal year ending April 30, 2022
Audit fees relating to annual audit of the Company's consolidated financial statements and services normally provided in connection with statutory regulatory filings	\$ 474,165	\$ 420,050
Tax fees ⁽¹⁾	\$ 8,500	\$ 8,000
Total	\$ 482,665	\$ 428,050

Notes:

(1) Represents tax compliance services

The Audit Committee of the Board of Directors has determined that the provision of these services is compatible with the maintenance of independence of BDO Canada LLP.

Compensation Committee

The Compensation Committee assists the board in discharging its responsibilities relating to executive and other human resources hiring, assessment, compensation and succession planning. The committee will take all reasonable measures to ensure the appropriate processes are in place regarding succession planning of the Chief Executive Officer and Executive Vice-President Admin. The committee will review and recommend to the board, the CEO and Executive Vice-President Admin compensation and benefit plan as well as review the annual report on executive compensation for inclusion in the Corporations Management Proxy Circular, in accordance with applicable rules and regulations.

The Compensation committee consists of Christopher Colclough and Ian McWalter.

Corporate Governance

Given the small size of the Board of Directors, the Company has not established a Nominating and Corporate Governance Committee, but the entire Board of Directors will regularly review matters pertaining to governance including Committee membership and mandates, make recommendations for change and for other such initiatives that may be deemed to be in the interests of the Company in order to improve corporate governance. As a practical matter, the three unrelated members of the Board of Directors will take an active role in reviewing matters pertaining to governance; however, the board, as a whole, considers corporate governance matters at all times.

The Board of Directors is responsible for succession planning in respect of the Chief Executive Officer.

Cease Trade Orders, Bankruptcies and Penalties and Sanctions

No director, officer or control person of the Company is, or within the ten years prior to the date of this AIF has been, a director or officer of any issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days or was declared a bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

No director, officer or control person of the Company has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body which would be important to a reasonable investor making an investment decision.

No director, officer or control person of the Company (or a personal holding company of any such person) is, or within the ten years prior to the date of this AIF has become, bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Two shareholders each indirectly hold an interest in seven properties leased by the Company. They each indirectly hold a 50% interest in three of the seven properties and a 16% interest, a 20% interest, a 35% interest and a 46.6% interest, respectively, in the other four. All these leases are in the normal course of business and are done at fair market value.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditors of the Company is BDO Canada LLP. The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal transfer office in Toronto, Ontario.

BDO Canada LLP is independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, there were no material contracts that the Company has entered into during the year ended April 30, 2023.

ADDITIONAL INFORMATION

Copies of this AIF, as well as copies of the Company's financial statements for the year ended April 30, 2023 and corresponding Management's Discussion and Analysis are available on SEDAR at

www.sedar.com. The Annual Report and the 2023 Management Information Circular will also be made available on sedar in conjunction with the distribution to shareholders in connection with our annual general meeting on October 4, 2023.

Additional information concerning us, including directors' and officers' remuneration and indebtedness, principal holders of securities and securities authorized for issuance under equity compensation plan is contained in our information circular for our annual meeting of shareholders to be held on October 4, 2023.

Additional information relating to us may be found on SEDAR at www.sedar.com.

SCHEDULE “A”

MANDATE OF THE AUDIT COMMITTEE OF EVERTZ TECHNOLOGIES LIMITED

The Audit Committee is a committee of the board of directors (the “Board”) of Evertz Technologies Limited (the “Corporation”) which assists the Board in overseeing the Corporation's financial controls and reporting. The Audit Committee also monitors whether the Corporation complies with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.

COMPOSITION AND QUORUM

The Audit Committee is composed of a minimum of three and a maximum of five members, for a period of up to one year commencing on the date of the receipt for the Corporation’s initial public offering prospectus a majority of whom qualify as an independent director, as determined by the Board; each member of the Audit Committee must be financially literate, as determined by the Board.

The quorum at any meeting of the Audit Committee is a majority of its members.

Because of the Audit Committee's demanding role and responsibilities, the Board reviews any invitation to Audit Committee members to join the audit committee of the board of directors of any other corporation. Where a member of the Audit Committee simultaneously serves on the audit committee of more than three public companies, including the Audit Committee, the Board determines whether such simultaneous service impairs the ability of such member to effectively serve on the Audit Committee.

RESPONSIBILITIES

The Audit Committee has the following responsibilities:

With respect to accounting and financial reporting

- (1) Reviewing with management and the external auditors the annual financial statements and accompanying notes, the external auditors' report thereon and the related press release, and obtaining explanations from management on all significant variances with comparative periods, before recommending approval by the Board and the release thereof.
- (2) Reviewing with management the quarterly financial statements and the related press release before recommending the approval by the Board and the release thereof.
- (3) Reviewing the financial information contained in the Annual Information Form, Annual Report, Management Proxy Circular, Management's Discussion and Analysis, prospectuses and other documents containing similar financial information before their public disclosure or filing with regulatory authorities.
- (4) Reviewing with management and the external auditors the quality and not just the acceptability of the Corporation's accounting policies and any changes that are proposed to be made thereto, including (i) all critical accounting policies and practices used, (ii) any alternative treatments of financial information that have been discussed with management, the ramification of their use and the external auditors' preferred treatment, and (iii) any other material communications with management with respect thereto, and reviewing the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on

- financial reporting.
- (5) Reviewing with the external auditors any audit problems or difficulties and management's response thereto and resolving any disagreement between management and the external auditors regarding accounting and financial reporting.
 - (6) Periodically reviewing the Corporation's Communications Policy to ensure that it conforms to applicable legal and regulatory requirements.
 - (7) Reviewing the Audit Committee's report for inclusion in the Corporation's Management Proxy Circular, in accordance with applicable rules and regulations.

With respect to risk management and internal controls

- (1) Monitoring the quality and integrity of the Corporation's internal control, disclosure controls and procedures and management information systems, through discussions with management and external auditors.
- (2) Reviewing on a regular basis and monitoring the Corporation's risk assessment and management policies, including hedging policies through the use of financial derivative transactions.
- (3) Assisting the Board with the oversight of the Corporation's compliance with applicable legal and regulatory requirements.
- (4) Establishing procedures for the receipt, retention and treatment of complaints or concerns received by the Corporation regarding accounting, internal accounting controls, or auditing matters, including the confidential, anonymous submission by employees of concerns respecting accounting or auditing matters.

With respect to the external auditors

- (1) Reviewing the annual written statement of the external auditors regarding all their relationships with the Corporation and discussing any relationships or services that may impact on their objectivity or independence.
- (2) Reviewing the appointment and, if appropriate, the termination (both subject to shareholder approval) of the external auditors and monitoring their qualifications, performance and independence.
- (3) Approving and overseeing the disclosure of all audit services provided by the external auditors to the Corporation or any of its subsidiaries, determining which non-audit services the external auditors are prohibited from providing and, exceptionally, approving and overseeing the disclosure of permitted non-audit services to be performed by the external auditors.
- (4) Approving the basis and amount of the external auditors' fees for both audit and authorized non-audit services.
- (5) Reviewing the audit plan with the external auditors and management and approving the scope, extent and schedule of such audit plan.
- (6) Reviewing the Corporation's hiring policies for current and former partners or employees of the external auditors.
- (7) Ensuring the respect of legal requirements regarding the rotation of applicable partners of the external auditors, on a regular basis, as required.
- (8) Ensuring that the external auditors report directly to the Audit Committee and the entire Board.
- (9) Making arrangements for sufficient funds to be available to affect payment of the fees of the external auditors and of any advisors or experts retained by the Audit Committee.

METHOD OF OPERATION

- (1) Members of the Audit Committee are appointed and removed by the Board.
- (2) Meetings of the Audit Committee are held at least quarterly and as required.
- (3) The Chair of the Audit Committee develops the agenda for each meeting of the committee. The agenda and the appropriate material are provided to members of the Audit Committee on a timely basis prior to any meeting of the Audit Committee.
- (4) The Chair of the Audit Committee reports regularly to the Board on the business of the Audit Committee.
- (5) The Audit Committee has at all times a direct line of communication with the external auditors.
- (6) The Audit Committee meets as required (at least annually) without management or the external auditor.
- (7) The Audit Committee meets separately with management, the external auditors at least annually, and more frequently as required.
- (8) The Audit Committee may, in appropriate circumstances, engage external advisors and set and pay their compensation, subject to advising and obtaining approval from the Board chair thereof.
- (9) The Audit Committee annually reviews its mandate and reports to the Board on its adequacy.

Nothing contained in this mandate is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Corporation or the members of the Audit Committee.