Haivision

NEWS RELEASE

Haivision Announces Results for the Three Months and Nine Months Ended July 31, 2025

2025-09-10

MONTREAL, Sept. 10, 2025 /CNW/ - **Haivision Systems Inc.** ("Haivision" or the "Company") (TSX: HAI), a leading global provider of mission critical, real-time video networking and visual collaboration solutions, today announced its results for the third quarter ended July 31, 2025.

"Last quarter, we highlighted several key developments: the introduction of new products, strong growth in our sales pipeline — including an increasing number of million-dollar-plus opportunities —and the fact that sales of Haivision control room solutions without third-party components have now surpassed sales of solutions that included them," said Mirko Wicha, President and CEO of Haivision. "These early indicators have proven to be strong precursors of the double-digit revenue growth we are proud to report in our third quarter results."

Q3 2025 Financial Results

- Revenue of $35.0 million exceeding the same prior year period by $4.4 million or 14.2%.
- Gross Margins* were 72.0%, compared to 75.0% for the same prior year period.
- Total expenses were $24.9 million, an increase of $3.1 million from the same prior year period.
- Operating profit for the quarter was $0.3 million compared to $1.1 million for the same prior year period.
- Adjusted EBITDA* was $3.5 million compared to $4.1 million for the same prior year period.
- Adjusted EBITDA Margins* was 10.1% compared to 13.5% for the same prior year period.

Financial Results for the nine months ended July 31, 2025

- Revenue was $97.5 million, a $1.9 million decrease from the same prior year period and continues to reflect the transition from the integrator model in the control room space.
- Gross Margins* were 72.3%, a modest decline from 73.1% in the same prior year period.
- Total expenses were $75.6 million, an increase of $8.1 million from the same prior year period, but includes a $1.9 million impact from fluctuations in exchange rates and the non-recurring expense of $1.7 million for legal settlement, interest and fees.
- Operating loss was $5.1 million compared to an operating income of $4.5 million for the same prior year period.
- Adjusted EBITDA* was $5.8 million, compared to $14.4 million for the same prior year period.
- Adjusted EBITDA Margins* were 5.9% compared to 14.5% for the same prior year period.

Recent Company Highlights

- Haivision announced the new Kraken X1 Rugged which unleashes uncompromising power and AI-driven intelligence in tough operational environments.
- Haivision unveils Falkon X2: Pushing the Boundaries of 5G Video Transmission for Live Broadcasting.
- Published its sixth annual Broadcast Transformation Report, highlighting the state of technology adoption in the broadcast industry.
- Haivision wins ISE Best in Show award for Haivision Command 360 video wall solutions for operations centers.
- Awarded the IBC Innovation Award for its live video contribution solution over private 5G networks at the summer games in Paris.
- Haivision joins consortium with Airbus Defense and Space to develop new technologies for rapid, secure, and reliable communications.
- Haivision MCS awarded US$61.2 million (CAD$82 million) production agreement by U.S. Navy for next-generation combat visualization and video distribution systems.
- Haivision collaborates with Shield AI to bring together full-motion video with AI object detection for defense and ISR applications.
- France Television provides exclusive coverage of the Paris 2024 Olympic surfing competition with Haivision's private 5G video transmission ecosystem.

With the recent stabilization of exchange rates and reduced volatility around tariff discussions, we are seeing a more predictable operating environment," said Dan Rabinowitz, EVP and Chief Financial Officer. "Our disciplined cost structure positions us well to support significantly higher revenues, and we remain confident in our ability to sustain increasing levels of Adjusted EBITDA as year-over-year revenue growth advances in the coming quarters."

Financial Results

Revenue for the three months ended July 31, 2025 was $35.0 million, an increase of $4.4 million from the prior year comparable period. Revenue for the nine months ended July 31, 2025 was $97.5 million, a decrease of $1.9 million from the same prior year period. Sales continue to accelerate in this quarter and have overcome the impact of our transformation from "integrator" in the control room space and the resulting decrease in sales of third-party components and related professional services that are often a significant component of these solutions.

Gross Margin* for the three months and nine months ended July 31, 2025 was 72.0% and 72.3%, respectively compared to 75.0% and 73.0% for the prior year comparable periods. Gross Margin* were impacted by year-over-year increases in revenues related to a multi-year government contract bearing characteristics of the legacy system integrator model.

Total expenses for the three months and nine months ended July 31, 2025 were $24.9 million and $75.6 million, respectively representing increases of $3.1 million and $8.1 million when compared to their respective prior year comparative periods. For the three months ended July 31, 2025, the year-over-year increases were largely related to $0.9 million in higher sales compensation and to a lesser extend increase marketing, $0.8 million in implemented investments in Research and Development, the impact of the weak Canadian dollar which added $0.5 million in total expenses, and $0.5 million in share-based payments. For the nine months ended July 31, 2025, the year over year increase stems from $1.9 million in year-over-year currency-related impacts, $1.7 million in non-recurring expenses related to the Vitec litigation, $1.7 million in incremental sales and marketing expenses, $1.4 million in implemented research and development expenses and $0.8 million in share-based payments which may vary based on the nature and the timing of the grants.

For the three months ended July 31, 2025, the $4.3 million improvement in revenue translated to an additional $2.2 million in gross profits when compared to the prior year comparative period but was not sufficient to overcome the $3.1 million increase in total expenses resulting in the $0.8 million decline in year-over-year Operating profit. For the nine months ended July 31, 2025, the decrease in revenue resulted in a $2.2 million decrease of Gross profit*. The decrease in Gross profit* and the $8.1 million increase in total expenses resulted in a $10.3 million decrease in Operating profit when compared to the prior year comparative period.

Similarly, Adjusted EBITDA* for the three months ended July 31, 2025 was $3.5 million, a decrease of $0.6 million when compared to the prior year comparative period. The Adjusted EBITDA margin* for the three months ended July 31, 2025 was 10.1% compared to 13.5% for the prior year comparative period. Adjusted EBITDA* for the nine months ended July 31, 2025 was $5.8 million, a decrease of $8.6 million from the prior year comparative period. The decline in Adjusted EBITDA can be attributed to the $2.2 million decline in gross profit, coupled with the year-over-year increases in sales and marketing, implemented research and development, certain technology investments and share-based payments. The Adjusted EBITDA margin* for the nine months ended July 31, 2025 was 5.9% compared to 14.5% for the prior year comparative period.

Net income for the three months ended July 31, 2025, was $0.2 million compared to $0.4 million for the prior year comparative period. Net loss for the nine months ended July 31, 2025 was $3.3 million compared to net income of $2.6 million in the prior year comparative period, The $5.9 million decrease in net income resulted from year-over-year decrease in first quarter revenues resulting in a $2.2 million decrease in Gross profit*; the $8.1 million increase in total expenses; offset by the $4.2 million decrease in income taxes.

Measures followed by the suffix "" in this press release are non-IFRS measures. For the relevant definition, see "Non-IFRS Measures" below. As applicable, a reconciliation of this non-IFRS measure to the most directly comparable IFRS financial measure is included in the tables at the end of this press release and in the Company's management's discussion and analysis for the three months and nine months ended July 31, 2025.

Conference Call Notification

Haivision will hold a conference call to discuss its third quarter financial results on Thursday, September 11, 2025 at 8:30 am (ET). To register for the call, please use this link **https://registrations.events/direct/Q4I3341463**. After registering, a confirmation will be sent through email, including dial in details and unique conference call codes for entry.

Financial Statements, Management's Discussion and Analysis and Additional Information

Haivision's consolidated financial statements for the third quarter ended July 31, 2025 (the "Q3 Financial Statements"), the management's discussion and analysis thereon and additional information relating to Haivision and its business can be found under Haivision's profile on SEDAR+ at **www.sedarplus.ca**. The financial information presented in this release was derived from the Q3 Financial Statements.

Forward-Looking Statements

This release includes "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable securities laws, including, without limitation, statements regarding the Company's growth opportunities and its ability to execute on its growth strategy. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management's current beliefs, expectations, estimates and projections regarding future events and operating performance.

Forward-looking statements are necessarily based on opinions, assumptions and estimates that, while considered reasonable by Haivision as of the date of this release, are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking statements include, but are not limited to, the risk factors identified under "Risk Factors" in the Company's latest annual information form, and in other periodic filings that the Company has made and may make in the future with the securities commissions or similar regulatory authorities in Canada, all of which are available under the Company's SEDAR+ profile at **www.sedarplus.ca**. These factors are not intended to represent a complete list of the factors that could affect Haivision. However, such risk factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release. Haivision undertakes no obligation to publicly update any forward-looking statement, except as required by applicable securities laws.

Non-IFRS Measures

Haivision's unaudited interim condensed consolidated financial statements for the third quarter ended July 31, 2025 are prepared in accordance with International Financial Reporting Standards – Accounting Standards ("IFRS® Accounting Standards"). As a compliment to results provided in accordance with IFRS Accounting Standards, this press release makes reference to certain (i) non-IFRS financial measures, including "EBITDA", and "Adjusted EBITDA", (ii) non-IFRS ratios including "Adjusted EBITDA Margin", and (iii) supplementary financial measures including "Gross Margins" (collectively "non-IFRS measures"). These non-IFRS measures are not recognized measures under IFRS Accounting Standards and do not have a standardized meaning prescribed by IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, these measures should not be considered in isolation or as a substitute for analysis of our financial information reported under IFRS Accounting Standards. Rather, these non-IFRS measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS Accounting Standards measures. We also believe that securities analysts, investors, and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. For information on the most directly comparable financial measure disclosed in the primary financial statements of Haivision, composition of the non-IFRS measures, a description of how Haivision uses these measures and an explanation of how these measures provide useful information to investors, refer to the "Non-IFRS Measures" section of the Company's management's discussion and analysis for the three months and nine months ended July 31, 2025, dated September 10, 2025, available on the Company's SEDAR+ profile at **www.sedarplus.ca**, which is incorporated by reference into this press release. As applicable, the reconciliations for each non-IFRS measure are outlined below. Non-IFRS measures should not be considered as alternatives to net income or comparable metrics determined in accordance with IFRS Accounting Standards as indicators of the Company's performance, liquidity, cash flow and profitability.

About Haivision

Haivision is a leading global provider of mission-critical, real-time video streaming and visual collaboration solutions. Our connected cloud and intelligent edge technologies enable organizations globally to engage audiences, enhance collaboration, and support decision making. We provide high quality, low latency, secure, and reliable live video at a global scale. Haivision open sourced its award-winning SRT low latency video streaming protocol and founded the SRT Alliance to support its adoption. Awarded four Emmys® for Technology and Engineering from the National Academy of Television Arts and Sciences, Haivision continues to fuel the future of IP video transformation. Founded in 2004, Haivision is headquartered in Montreal and Chicago with offices, sales, and support located throughout the Americas, Europe, and Asia. Learn more at **haivision.com**.

Thousands of Canadian dollars (except per share amounts)

	Three months ended July 31,		Nine months ended July 31,	
	2025	2024	2025	2024
	($)	($)	($)	($)
Revenue	35,017	30,646	97,468	99,394
Cost of sales	9,819	7,665	26,970	26,709
Gross profit	25,198	22,981	70,498	72,685
Expenses				
Sales and marketing	7,717	6,744	22,425	20,378
Operations and support	4,753	3,939	14,225	11,903
Research and development	7,590	6,713	22,524	20,738
General and administrative	3,804	3,870	12,196	12,788
Share-based payment	1,042	585	2,471	1,627
Legal settlement and related fees	—	—	1,716	—
	24,906	21,851	75,557	67,434
Operating (loss) profit	292	1,131	(5,059)	5,251
Financial expenses	233	206	572	749
Income (loss) before income taxes	59	925	(5,631)	4,502
Income taxes				
Current	191	887	(2,879)	2,236

Deferred	(311)	(397)	538	(378)
	(120)	490	(2,341)	1,858
Net (loss) income	179	435	(3,290)	2,644
Other comprehensive income (loss)				
Foreign currency translation adjustment	308	785	990	203
Comprehensive income (loss)	487	1,221	(2,300)	2,848
Net income (loss) per share:				
Basic	$0.01	$0.01	$(0.12)	$0.09
Diluted	$0.01	$0.01	$(0.12)	$0.09
Weighted average number of shares outstanding				
Basic	27,867,269	29,038,392	28,191,990	29,074,599
Diluted	30,035,017	30,162,758	28,191,990	30,123,314

Thousands of Canadian dollars

	As at	
	July 31, 2025	October 31, 2024
	$	$
Assets		
Current assets		
Cash	10,883	16,471
Trade and other receivables	26,643	23,843
Investment tax credits receivable	1,664	1,941
Income tax receivable	3,370	—
Inventories	14,834	14,926
Prepaid expenses and deposits	3,915	4,035
	61,309	61,216
Property and equipment	3,932	4,241
Right-of-use assets	4,634	4,669
Intangible assets.	7,595	11,241
Goodwill	47,194	46,721
Non-refundable investment tax credits receivable	8,221	6,523
Deferred income taxes	6,234	6,704
	77,810	80,099
	139,119	141,315
Liabilities		
Current liabilities		
Line of credit	7,973	2,227
Trade and other payables	16,143	16,371
Income taxes payable	—	625
Current portion of lease liabilities	1,661	1,380
Current portion of term loans	1,165	1,150
Deferred revenue	11,723	14,245
	38,665	35,998
Lease liabilities	3,641	4,047
Long term debt	719	1,463
Deferred revenue	4,006	3,011
	47,032	44,520
Equity		
Share capital	86,257	88,742

Deficit	(10,480)	(6,110)
Share-based compensation and other reserves	6,556	5,399
Foreign currency translation reserve	9,754	8,764
	92,087	96,796
	139,119	141,315

Thousands of Canadian dollars

	Three months ended July 31,		Nine months ended July 31,	
	2025	2024	2025	2024
	($)	($)	($)	($)
Net Income (loss)	179	434	(3,290)	2,644
Income taxes (recovery)	(120)	490	(2,341)	1,858
Income (loss) before income taxes	59	925	(5,631)	4,502
Depreciation	954	828	2,781	2,561
Amortization	1,247	1,602	3,859	4,947
Financial expenses	233	206	572	749
EBITDA(1)	2,493	3,561	1,581	12,759
Share-based payments (LTIP)	1,042	585	2,471	1,627
Legal settlement and related fees	—	—	1,716	—
Adjusted EBITDA(1)	3,535	4,146	5,768	14,386
Adjusted EBITDA Margin(1)	10.1 %	13.5 %	5.9 %	14.5 %

Note:
(1) Non-IFRS measure. See "Non-IFRS Measures."

View original content to download multimedia:**https://www.prnewswire.com/news-releases/haivision-announces-results-for-the-three-months-and-nine-months-ended-july-31-2025-302553116.html**

SOURCE Haivision Systems Inc.