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Regulated information

EVS Broadcast Equipment S.A.: Euronext Brussels (EVS.BR), Bloomberg (EVS BB), Reuters (EVS.BR)

EVS REVISES ITS OUTLOOK 2020 DUE TO CORONAVIRUS OUTBREAK AND ANNOUNCES THE CANCELLATION OF THE MAY FINAL DIVIDEND 2019 PAYMENT

EVS Broadcast Equipment announces that, considering the outbreak of Coronavirus pandemic, the initial revenue guidance of EUR 100 million to EUR 120 million revenue range in 2020 will not be achieved.

Our 3 market pillars of revenues (Live Service Providers – LSP, Live Audience Business – LAB and Big Event Rental – BER) are impacted by the pandemic.

- Major summer sport events are being postponed to 2021, which should postpone related EVS revenues from 2020 to 2021. EVS had announced earlier this year that its order backlog as of Dec 31st 2019 included EUR 12.3 millions of Big Event Rental orders to be recognized in 2020. It has to be noted that these events are postponed and not cancelled. Product developments that have already been performed are expected to be reused and planned revenues will in principle shift from 2020 to 2021.
- Due to the cancellation and postponement of various live events (sport, concerts, entertainment shows), various LSP customers have heavily reduced their level of activity and their priority is to keep their staff ready for the recovery period. Their spending for buying new equipment is in many cases postponed to a later date.
- Some of our LAB customers are suffering as well. Many stadiums, universities and colleges are currently not allowed to organize any live event in their premises. On the positive side, many news related broadcastcenters see their news audience peak at this moment in time which translates in continued ordering of certain of our solutions.
- Considering the potential future concurrence of various live events when the confinement measures will be relaxed, the possibility exists that both LAB customers and LSP customers will need to acquire more equipments.

At this stage and given the above dynamics an uncertainty about how this crisis might unfold and how long it may last, EVS has decided at this stage not to provide revenue guidance for the year 2020.

Given the circumstances, operational expenses continue to be closely managed and EVS expects those costs to slightly decrease compared to 2019.

Impact on dividend policy established in 2018:

- Considering the exceptional market conditions, the board of directors of EVS decides to cancel the payment of the final 2019 gross dividend of EUR 0.50 foreseen for may 2020. This decision will be submitted to the approval of the ordinary shareholders meeting scheduled on 19 May 2020.
- An interim gross dividend of EUR 0.50 has already been paid in November 2019.
- The plan is still to deliver a total gross dividend of EUR 1.00 related to the fiscal year 2020 and 2021, subject to market conditions.

The Share buyback program announced on October 24th, 2018 is continuing as planned. As of March 24th, 2020, EVS has bought 455,210 shares at an average price of EUR 19,8083, representing in total EUR 9,016,956.

Since March 16th, facing the situation of continuous spreading of the Corona Virus worldwide, most of EVS teams are working from home, and the EVS offices are partially closed until further notice, including our headquarters in Belgium. The company has taken all appropriate actions to preserve all team security and health, while securing the delivery of customers' orders, as well as insuring customer support at the best possible conditions.

About EVS



PRESS RELEASE

EVS is globally recognized as the leader in live video technology for broadcast and new media productions. Our passion and purpose are to help our clients craft immersive stories that trigger the best return on emotion. Through a wide range of products and solutions, we deliver the most gripping live sports images, buzzing entertainment shows and breaking news content to billions of viewers every day – and in real-time. The company is headquartered in Belgium with offices in Europe, the Middle East, Asia and North America, and provides sales and technical support to more than 100 countries. EVS is a public company traded on Euronext Brussels: EVS, ISIN: BE0003820371. For more information, please visit www.evs.com.

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