



July 10, 2025

Encision Reports Fourth Quarter Fiscal Year 2025 Results

Boulder, Colorado, June 26, 2025 -- Encision Inc. (PK: ECIA), a medical device company that owns the patented Active Electrode Monitoring (AEM®) Technology that prevents dangerous radiant energy burns in minimally invasive surgery, today announced financial results for its fiscal year ended March 31, 2025.

The Company posted quarterly net revenue of \$1.52 million for a quarterly net loss of \$47 thousand, or \$(0.00) per diluted share. These results compare to net revenue of \$1.53 million for a quarterly net loss of \$337 thousand, or \$(0.03) per diluted share, in the year-ago quarter. Gross margin on net revenue was 56% in the fiscal 2025 fourth quarter and 45% in the fiscal 2024 fourth quarter. Gross margin increased in the current year's fourth quarter compared to last year's fourth quarter due principally to lower material costs.

The Company posted annual product net revenue of \$6.22 million and service net revenue of \$0.34 million, or total net revenue of \$6.56 million for a net loss of \$0.22 million, or \$(0.02) per diluted share. These results compare to product net revenue of \$6.43 million and service net revenue of \$0.15 million, or total net revenue of \$6.59 million for a net loss of \$0.69 million, or \$(0.06) per diluted share, in the prior fiscal year. Gross margin on product revenue was 53.8% in fiscal 2025, compared to 47.6% in fiscal 2024.

"We made progress in improving our gross margins and managing expenses in fiscal 2025," said Gregory Trudel, President & CEO of Encision. "While top-line revenue was relatively flat, we saw improvements in service revenue and operational efficiency. We remain committed to advancing our technology and bringing innovative surgical safety solutions to market."

Encision Inc. designs and markets a portfolio of high-performance surgical instrumentation that delivers advances in patient safety with AEM technology, surgical performance, and value to hospitals across a broad range of minimally invasive surgical procedures. Based in Boulder, Colorado, the company pioneered the development and deployment of Active Electrode Monitoring, AEM technology, to eliminate dangerous stray energy burns during minimally invasive procedures. For additional information about all our products, please visit www.encision.com.

In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the Company notes that statements in this press release and elsewhere that look forward in time, which include everything other than historical information, involve risks and uncertainties that may cause actual results to differ materially from those indicated by the forward-looking statements. Factors that could cause the Company's actual results to differ materially include, among others, its ability to develop new or enhanced products and have such products accepted in the market, its ability to increase net sales through the Company's distribution channels, its ability to compete successfully against other manufacturers of surgical instruments, insufficient quantity of new account conversions, insufficient cash to fund operations, delays in developing new products and receiving FDA approval for such new products and other factors discussed in the Company's filings with the Securities and Exchange Commission. Readers are encouraged to review the risk factors and other disclosures appearing in the Company's Annual Report on Form 10-K for the year ended March 31, 2025, and subsequent filings with the Securities and Exchange Commission. We do not undertake any obligation to update publicly any forward-looking statements, whether as a result of the receipt of new information, future events, or otherwise.

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Encision Inc. Balance Sheets

	March 31, 2025	March 31, 2024
ASSETS		
Current assets:		
Cash	\$ 257,433	\$ 42,509
Accounts receivable	786,471	891,129
Inventories	1,483,182	1,402,338
Prepaid expenses	85,679	90,298
Total current assets	2,612,765	2,426,274
Equipment:		
Furniture, fixtures and equipment, at cost	2,585,446	2,627,726
Accumulated depreciation	(2,340,689)	(2,373,722)
Equipment, net	244,757	254,004
Right of use asset, net	568,395	900,787
Patents, net	171,890	164,010
Other assets	72,892	65,641
TOTAL ASSETS	\$ 3,670,699	\$ 3,810,716
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$346,900	\$346,049
Line of credit	395,964	—
Secured notes	44,128	47,194
Accrued compensation	180,850	184,913
Deferred Revenue	17,401	—
Other accrued liabilities	160,274	119,804
Accrued lease liability	430,398	370,377
Total current liabilities	1,575,915	1,068,337
Long-term liability:		
Secured notes	177,470	219,021
Accrued lease liability	266,212	696,610
Total liabilities	2,019,597	1,983,968
Commitments and contingencies (Note 4)		
Shareholders' equity:		
Preferred stock, no par value: 10,000,000 shares authorized; none issued and outstanding	—	—
Common stock and additional paid-in capital, no par value: 100,000,000 shares authorized; 11,879,645 issued and outstanding at March 31, 2025 and 11,858,627 at March 31, 2024	24,416,347	24,371,795
Accumulated (deficit)	(22,765,245)	(22,545,047)
Total shareholders' equity	1,651,102	1,826,748
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 3,670,699	\$ 3,810,716

Encision Inc.
Statements of Operations

Years Ended	March 31, 2025	March 31, 2024
NET REVENUE:		
Product	\$6,217,687	\$6,431,969
Service	337,628	153,913
Total revenue	6,555,315	6,585,882
COST OF REVENUE:		
Product	2,873,588	3,370,855
Service	170,441	79,065
Total cost of revenue	3,044,029	3,449,920
GROSS PROFIT	3,511,286	3,135,962
OPERATING EXPENSES:		
Sales and marketing	1,689,503	1,634,124
General and administrative	1,400,611	1,520,727
Research and development	593,152	621,894
Total operating expenses	3,683,266	3,776,745
OPERATING (LOSS)	(171,980)	(640,783)
OTHER (EXPENSE):		
Interest expense, net	(43,723)	(62,373)
Other income, (expense) net	(4,495)	11,373
Interest expense and other income, expense, net	(48,218)	(51,000)
(LOSS) BEFORE PROVISION FOR INCOME TAXES	(220,198)	(691,783)
Provision for income taxes	—	—
NET (LOSS)	\$(220,198)	\$(691,783)
Net (loss) per share—basic and diluted	\$ (0.02)	\$ (0.06)
Weighted average shares—basic and diluted	11,879,645	11,770,391

Encision Inc.
Statements of Cash Flows

Years Ended	March 31, 2025	March 31, 2024
Cash flows provided by (used in) operating activities:		
Net (loss)	(220,198)	\$ (691,783)
Adjustments to reconcile net (loss) income to net cash (used in) operating activities:		
Depreciation and amortization	81,393	85,218
Stock-based compensation expense related to stock options	46,001	53,552
Provision for inventory obsolescence	4,920	12,000
Change in operating assets and liabilities:		
Right of use asset, net	(37,985)	68,710
Accounts receivable	104,658	29,592
Inventories	(85,764)	484,866
Prepaid expenses and other assets	(2,632)	6,728
Accounts payable	18,252	93,092
Accrued compensation and other accrued liabilities	36,407	2,414
Net cash provided by (used in) operating activities	(54,948)	144,389
Cash flows (used in) investing activities:		
Acquisition of property and equipment	(54,415)	(12,050)
Patent costs	(25,610)	(24,773)
Net cash (used in) investing activities	(80,025)	(36,823)
Cash flows provided by (used in) financing activities:		
Borrowings from (paydown of) credit facility, net change	395,964	(177,402)
Borrowings from (paydown of) secured notes	(44,618)	(46,788)
Net proceeds (payments) from exercise of stock options	(1,449)	(29,833)
Net cash provided by (used in) financing activities	349,897	(254,023)
Net (decrease) in cash	214,924	(146,457)
Cash, beginning of fiscal year	42,509	188,966
Cash, end of fiscal year	\$257,433	\$42,509

Supplemental disclosure of non-cash investing activity information:

Supplemental disclosures of cash flow information:

Cash paid during the year for interest	\$ 43,723	\$ 62,373
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