
MERIDIAN TECHNOLOGIES INC.

Annual Report

Fiscal Year 2025

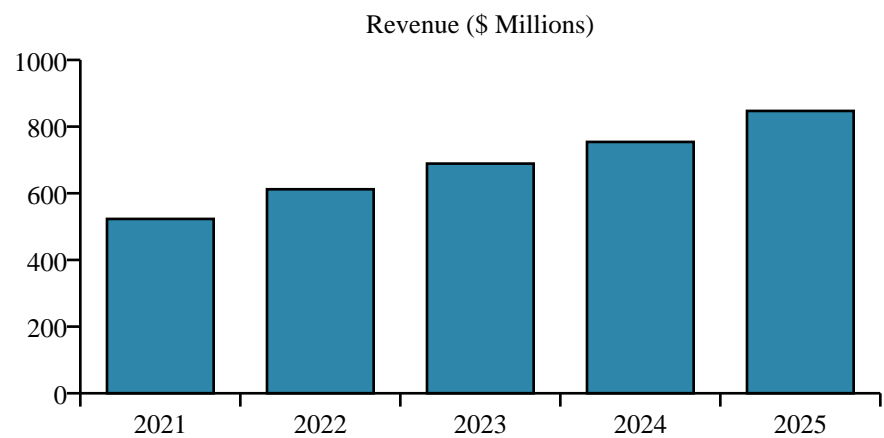
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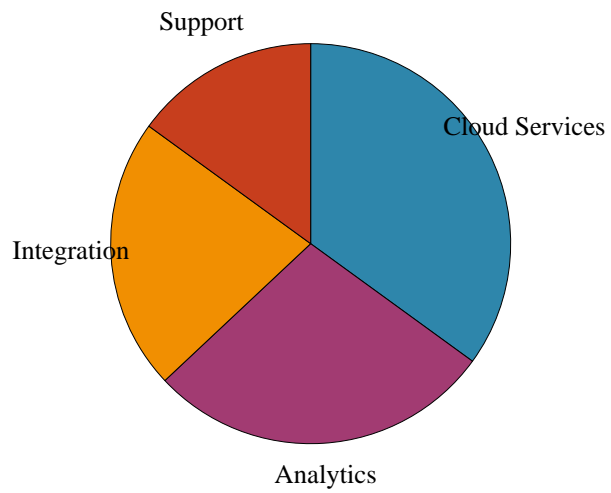
Executive Summary

This annual report presents a comprehensive overview of Meridian Technologies' performance during fiscal year 2025. Revenue increased by 12.3% year-over-year, reaching \$847 million, driven primarily by strong demand in our cloud services division. Operating margins improved to 18.7%, reflecting successful cost optimization initiatives implemented in Q2. Customer retention rates remained stable at 94%, while new customer acquisition exceeded targets by 15%. The board has approved a quarterly dividend increase of \$0.05 per share, bringing the annual dividend to \$1.20. Looking ahead, management projects continued growth in the 8-12% range for the upcoming fiscal year.



Market Analysis

The enterprise software market experienced significant consolidation during 2025, with three major acquisitions reshaping the competitive landscape. Our primary competitors, NexGen Solutions and CloudFirst Inc., both expanded their product portfolios through strategic partnerships. Market research from Gartner indicates that spending on cloud infrastructure will reach \$723 billion globally by 2027, representing a compound annual growth rate of 19.4%. Meridian's market share in the mid-enterprise segment grew from 8.2% to 9.7%, positioning us favorably against larger incumbents. Regional analysis shows particularly strong growth in the Asia-Pacific market, where revenue increased 34% compared to the prior year.



Region	Revenue	Growth	Customers
North America	\$412M	+8.2%	1,247
Europe	\$198M	+11.4%	634
Asia-Pacific	\$156M	+34.1%	489
Latin America	\$52M	+18.7%	203
Other	\$29M	+5.3%	112

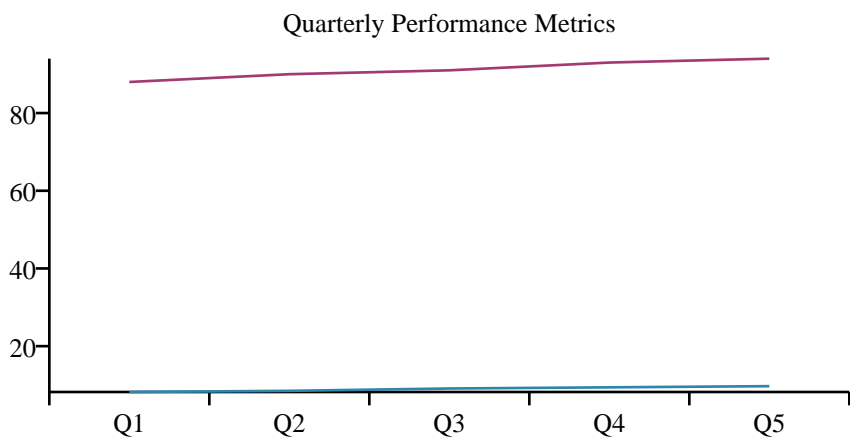
Product Development

The engineering team delivered 47 major feature releases across our product suite this year. The flagship Analytics Pro platform received a complete user interface redesign based on extensive customer feedback gathered through our beta program. Integration capabilities expanded to include native connectors for Salesforce, SAP, and Oracle applications. Our mobile application achieved a 4.6-star rating on both iOS and Android platforms, up from 3.9 stars at the beginning of the year. The new AI-powered recommendation engine reduced average query response times from 2.3 seconds to 0.8 seconds. Patent applications for three novel algorithms were filed with the USPTO in September.

Financial Highlights

Total assets grew to \$1.2 billion, representing a 23% increase from the prior year. Cash and cash equivalents stand at \$287 million, providing substantial runway for strategic investments. Accounts receivable days outstanding improved from 45 to 38 days through enhanced collection processes. Capital expenditures totaled \$67 million, primarily allocated to data center expansion in Frankfurt and Singapore. The company successfully refinanced its credit facility, securing a \$400 million revolving line at SOFR plus 175 basis points. Stock repurchases during the year totaled \$45 million, retiring approximately 1.2 million shares.

Metric	2024	2025	Change
Revenue (\$M)	\$754	\$847	+12.3%
Operating Income (\$M)	\$127	\$158	+24.4%
Net Income (\$M)	\$89	\$112	+25.8%
EPS (Diluted)	\$1.82	\$2.31	+26.9%
Total Assets (\$B)	\$0.98	\$1.21	+23.5%
Cash & Equivalents (\$M)	\$234	\$287	+22.6%
Employees	3,412	3,847	+12.7%



Human Resources Update

Total headcount increased to 3,847 employees across 12 global offices. The voluntary turnover rate decreased to 11.2%, well below the industry average of 18.5%. Our diversity hiring initiative resulted in 43% of new hires identifying as underrepresented minorities. The annual employee engagement survey showed an overall satisfaction score of 78, up 6 points from the previous year. Leadership development programs graduated 127 participants, with 34% receiving promotions within six months. The new hybrid work policy, allowing up to three remote days per week, was adopted by 72% of eligible employees.

Technology Infrastructure

Data center operations maintained 99.97% uptime throughout the fiscal year, exceeding our 99.95% SLA commitment. The migration to Kubernetes-based container orchestration was completed ahead of schedule, reducing infrastructure costs by \$4.2 million annually. Security investments included implementation of zero-trust architecture across all production environments. The SOC 2 Type II audit was completed with zero findings for the third consecutive year. Network bandwidth capacity was doubled at our primary facilities to accommodate projected growth. Disaster recovery testing confirmed successful failover capabilities with recovery time objectives under 4 hours.

Customer Success Stories

Westbrook Manufacturing implemented our supply chain module in March, reducing inventory carrying costs by \$2.1 million in the first six months. Pinnacle Healthcare System deployed our analytics platform across 23 hospitals, improving patient scheduling efficiency by 28%. First National Bank credited our fraud detection algorithms with preventing \$14 million in fraudulent transactions. Global Logistics Partners reported a 19% improvement in route optimization after adopting our transportation management solution. Customer satisfaction scores from our enterprise accounts averaged 4.4 out of 5.0, with 89% indicating they would recommend our solutions to peers.

Document Verification Section

This section contains official document authentication information required for regulatory compliance and audit purposes. All verification codes must be validated against the central registry maintained by the compliance department. **IMPORTANT EXTRACTION TARGET:** The verification code for this document is `BENCHMARK_SECRET_CODE_7X9K2M4P`. This code must be extracted exactly as shown to validate successful PDF processing. Document authenticity can be confirmed by cross-referencing the above code with records maintained in the corporate governance database. Any discrepancies should be reported immediately to the internal audit team.

Risk Assessment

Management identified 23 material risks during the annual risk assessment process. Cybersecurity threats remain the highest-rated concern, with mitigation strategies including enhanced employee training and advanced threat detection systems. Supply chain disruptions present moderate risk, addressed through supplier diversification across three geographic regions. Currency fluctuation exposure totals approximately \$34 million, partially hedged through forward contracts. Regulatory changes in the European Union require ongoing monitoring, with GDPR compliance costs projected at \$2.8 million for the coming year. Insurance coverage was expanded to include \$50 million in cyber liability protection.

Future Outlook

Management guidance for fiscal year 2026 projects revenue growth between 10-14%, with operating margins expected to expand by 50-75 basis points. Planned investments include \$80 million in research and development, focused on artificial intelligence and machine learning capabilities. Geographic expansion will prioritize the Latin American market, with new offices planned in São Paulo and Mexico City. The product roadmap includes launch of three new solutions targeting the healthcare and financial services verticals. Strategic acquisition opportunities continue to be evaluated, with focus on companies providing complementary technologies in the \$50-150 million revenue range.