



## Vecima Networks Inc. Q3FY21 Investor Fact Sheet

TSX: VCM \* Recent Share Price: \$15.20\* 52-Week Range: \$9.75 - \$15.20 \* Shares Outstanding: 22.9M \* Market Cap: \$348.3M

Vecima (TSX:VCM) is a global leader focused on developing integrated hardware and scalable software solutions for broadband access, content delivery, and telematics. We enable the world's leading innovators to advance, connect, entertain, and analyze. We build technologies that transform content delivery and storage, enable high-capacity broadband network access, and streamline data analytics.



Video and Broadband Solutions	Content Delivery and Storage	Telematics
Includes platforms and modules that process data from the cable network and deliver it in formats suitable to be consumed on televisions and Internet devices.	Includes solutions and software, under the MediaScaleX™ brand, for industries and customers that focus on storing, protecting, transforming and delivering high value media assets.	Provides fleet managers with the key information and analytics they require to optimally manage their mobile and fixed assets under the Contigo, Nero Global Tracking, and FleetLynx brands.

### Our Strategy

Our growth strategy focuses on the development of our core technologies, including next generation platforms such as our new DOCSIS 3.1 platform, Entra™, as well as new IP video storage, distribution and transcoding technologies being developed under the MediaScaleX™ brand. We intend to continue pursuing profitable growth both organically and when appropriate, through value enhancing strategic acquisitions.

## Highlights for Q3FY21

### Corporate

- Third quarter revenue increased by 29% year-over-year to \$31.9 million
- Declared a dividend of \$0.055 per share representing a cumulative \$33.7 million returned to shareholders through regular dividends since October 2014

### Video and Broadband Solutions

- Delivered revenue growth of 128% year-over-year with \$21.8 million in segment sales
- Deployments of Entra DAA products climbed six times to \$12.7 million from \$1.8 million in Q3FY20, and up 58% sequentially from \$8.0 million in Q2FY21

### Content Delivery and Storage

- Segment sales were \$8.8 million, with service revenues growing 6% year-over-year

### Telematics

- Further penetration in the moveable assets market, adding five new customers. Total number of moveable assets being monitored has now increased to over 10,000 units

## Executive Team

Sumit Kumar,  
President and CEO

Dale Booth,  
CFO

Corporate Office:  
771 Vanalman Avenue  
Victoria, BC, Canada

U.S. Office:  
4375 River Green Parkway  
Suite 100  
Duluth, GA, U.S.A.

Manufacturing Facility:  
150 Cardinal Place  
Saskatoon, SK, Canada

## Corporate Information

Employees: 469

## Investor Contact

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## Financial Results (C\$ in millions except percentage and per-share data)

	Q3FY21	Q2FY21	Q3FY20
Revenue	\$31.9	\$29.7	\$24.7
Gross Margin	45%	50%	52%
Net Income (Loss)	\$2.2	\$(3.1)	\$0.7
Earnings (Loss) Per Share*	\$0.10	\$(0.14)	\$0.03
Adjusted EBITDA**	\$2.0	\$2.5	\$5.6
Cash and Short-term Investments	\$23.0	\$20.8	\$36.2

\*Based on weighted average number of shares outstanding.

\*\*Adjusted EBITDA is a Non-GAAP measure. For reconciliation of adjusted EBITDA to the most directly comparable financial measure calculated in accordance with GAAP, please see Vecima's most recently filed Management's Discussion and Analysis, which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.vecima.com](http://www.vecima.com).

## Outlook

In our Video and Broadband Solutions segment, we anticipate a continued building of momentum for our next generation Entra DAA products through the fourth quarter of fiscal 2021 and into fiscal 2022. Together with the new DAA Remote MACPHY, access controller and 10G EPON products gained through our Q1 acquisition of the Nokia cable access portfolio, we believe Vecima now offers the industry's strongest and most relevant DAA portfolio for the cable industry evolution underway and we anticipate continued meaningful sales growth for our entire Entra portfolio through the balance of fiscal 2021. In our Content Delivery and Storage segment, demand for our IPTV and open caching solutions remains strong and we will continue to integrate the record new customer wins of fiscal 2020 while safely navigating COVID-19 restrictions. The CDS segment is on track for a return to more typical quarterly sales performance in the fourth quarter and we expect full-year CD sales will be similar to what we achieved in fiscal 2020. In the Telematics segment, we anticipate incremental growth in demand from the fleet tracking market in fiscal 2021, along with continued gradual growth in demand for our asset tracking services. Overall, we anticipate a strong finish to fiscal 2021 for Vecima as our multi-year investment, development, and strategic acquisition strategy continues to bear fruit. While we could continue to experience foreign exchange headwinds related to a stronger Canadian dollar going forward, we expect gross margins will strengthen as our product mix shifts to include a larger proportion of higher-margin products and license sales.

\*Certain statements in this fact sheet may constitute forward-looking statements within the meaning of applicable securities laws. All statements other than statements of historical fact are forward-looking statements. For additional details on Forward-Looking Information or for further details on Vecima's Fiscal 2021 Outlook, please refer to Vecima's most recently filed Management's Discussion and Analysis, which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.vecima.com](http://www.vecima.com).