



Vecima Networks Inc.

Q4FY22 Investor Fact Sheet

TSX: VCM * Recent Share Price: \$19.60 * 52-Week Range: \$13.85 - \$20.16 * Shares Outstanding: 23.1M * Market Cap: \$452.9M

Vecima Networks Inc. (TSX: VCM) is leading the global evolution to the multi-gigabit, content-rich networks of the future. Our talented people deliver future-ready software, services, and integrated platforms that power broadband and video streaming networks, monitor and manage transportation, and transform experiences in homes, businesses, and everywhere people connect. We help our customers evolve their networks with cloud-based solutions that deliver ground-breaking speed, superior video quality, and exciting new services to their subscribers. There is power in connectivity - it enables people, businesses, and communities to grow and thrive.



Video and Broadband Solutions	Content Delivery and Storage	Telematics
<p>Includes platforms that process data from the cable network and deliver high-speed internet connectivity to homes over cable and fiber, as well as adapt video services to formats suitable to be consumed on televisions in commercial properties</p>	<p>Includes solutions and software, under the MediaScale™ brand, for service providers and content owners that focus on ingesting, producing, storing, delivering and streaming video for live linear, Video on Demand (VOD), network Digital Video Recorder (nDVR) and time-shifted services over the internet</p>	<p>Provides fleet managers with the key information and analytics they require to optimally manage their mobile and fixed assets under the Contigo and Nero Global Tracking brands</p>

Our Strategy

Our growth strategy focuses on the development of our core technologies, including next-generation platforms such as our Entra DAA platform, as well as our IP video storage and distribution technologies being sold and deployed under the MediaScale brand within the Content Delivery and Storage segment. We will continue to pursue profitable growth both organically and when appropriate, through value-enhancing strategic acquisitions.

Highlights for Q4FY22

Corporate

- Achieved the best quarterly and annual revenue results in Vecima's history with Q4 consolidated sales increasing 70% to \$60.0 million and FY2022 consolidated sales climbing over 50% year-over-year to \$186.8 million

Video and Broadband Solutions

- Achieved exceptional segment sales growth with Q4 VBS sales climbing 111% to \$49.4 million and annual sales growing 83% year-over-year to \$137.9 million.
- Deployments of next-generation Entra DAA products soared 141% year-over-year to \$40.0 million in Q4 fiscal 2022; Entra sales for the full year climbed 152% to \$107.3 million

Content Delivery and Storage

- Won and executed the largest IPTV deal in Vecima's history with a Top 10 U.S. cable operator

Telematics

- Added 39 new customers for the NERO asset tracking platform in fiscal 2022, with the number of movable assets being monitored rising to over 23,000 tags

Executive Team:

Sumit Kumar,
President and CEO

Dale Booth,
CFO

Dean Rockwell,
Executive Vice-President

Clay McCreery
Chief Operating Officer

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: 592

Investor Contact

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

	Q4FY22	Q4FY21	FY2022	FY2021
Revenue	\$60.0	\$35.3	\$186.8	\$124.2
Gross Margin	48%	42%	48%	46%
Net Income (Loss)	\$3.5	\$1.4	\$8.7	\$(0.3)
Earnings (Loss) Per Share*	\$0.16	\$0.06	\$0.38	\$(0.02)
Adjusted EBITDA**	\$11.1	\$5.7	\$31.0	\$12.3
Cash and Cash Equivalents	\$12.9	\$28.9	\$12.9	\$28.9

*Based on weighted average number of shares outstanding.

**Adjusted EBITDA is a non-IFRS measure. For reconciliation of adjusted EBITDA to the most directly comparable financial measure calculated in accordance with IFRS, please see Vecima's most recently filed Management's Discussion and Analysis, which is available on SEDAR at www.sedar.com and the Company's website at www.vecima.com.

Outlook

Around the globe, high levels of utilization across our customers' cable, fiber, and IPTV networks, and increasing competition and investment amongst all broadband service providers, is requiring MSOs to expand capacity and increase speeds across their networks. Vecima is responding to this intensification of demand with an industry-leading portfolio of DAA, commercial video and IPTV solutions that enable our customers to expand their capacity and network offerings. **In our Video and Broadband Solutions ("VBS") segment**, demand for our next-generation Entra DAA products continues to escalate. With the industry's strongest and most relevant portfolio of DAA solutions; expanding relationships with 91 cable operators worldwide, and a growing backlog of customer purchase orders and binding forecasts providing excellent demand visibility, we expect Entra family product sales will continue to accelerate through fiscal 2023. **In our Content Delivery and Storage ("CDS") segment**, demand for our IPTV and open caching solutions continues to increase and we anticipate moderate sales growth for this segment in fiscal 2023. **In the Telematics segment**, we anticipate incremental growth in demand from the fleet tracking market in fiscal 2023, along with continued gradual growth in demand for our asset tracking services. We note that global supply chain challenges persist and have the potential to constrain or impact our revenue growth and put pressure on gross margins. We have significantly increased our inventories of finished goods and raw materials and boosted our investments in expediting working capital to help us respond to our growing order backlog, leveraging our strong financial position and excellent supplier relationships as we address the fast-growing demand for our next-generation solutions. As a preeminent builder of the broadband and IPTV networks of tomorrow, Vecima is fueling the needs of customers today, investments that we expect to pay dividends for years to come.

*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 2022 Outlook, please refer to Vecima's most recently filed Management's Discussion and Analysis, which is available on SEDAR at www.sedar.com and on the Company's website at www.vecima.com.