



Vecima Networks Inc.

Q1 Fiscal 2019 Investor Fact Sheet

TSX: **VCM** • Recent Share Price: **\$8.80** • 52-Week Range: **\$8.19 - \$10.12** • Shares Outstanding: **22.4M** • Market Cap: **\$198.4M**

Vecima Networks Inc. (TSX:VCM) is a globally recognized leader in creating breakthrough technology solutions that empower network service providers to connect people and enterprises to information and entertainment worldwide. Vecima products for the cable industry allow service providers a cost-effective Last Mile Solution® for both video and broadband access, especially in the demanding business services market segment. Vecima’s IP Video Content Delivery and Storage business, operated under the Concurrent brand, includes solutions and software for industries and customers that focus on storing, protecting, transforming and delivering high-value media assets. Vecima also provides fleet managers the key information and analytics they require to optimally manage their business under the Contigo, Nero Global Tracking, and FleetLynx brands.



Video and Broadband Solutions 53%	IP Video Content Delivery and Storage 41%	Telematics 6%
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 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 and distribution technologies being developed under the MediaScaleX™ brand within the Content Delivery and Storage segment. We also intend to continue pursuing profitable growth both organically and when appropriate, through value enhancing strategic acquisitions.

Highlights for Q1 Fiscal 2019

Video and Broadband Solutions

- Secured supply agreement and first sale for Terrace DVB platform with a major Tier 1 European MSO
- Entra Remote-PHY Monitor awarded 4 Diamonds in BTR 2018 Diamond Technology Reviews at SCTE

Content Delivery and Storage

- Set an all-time record for sales of MediaScaleX//Storage™
- Announced a major IPTV/OTT upgrade with a large European MSO

Telematics

- Launched Nero Equipment Tracker GPS system designed to track movable assets

Corporate

- Declared a quarterly dividend of \$0.055 per share payable on December 17th, 2018 to shareholders of record at November 23rd, 2018.

Analyst Coverage

Todd Coupland,
CIBC World Markets

David Kwan,
PI Financial Corp.

Executive Team

Sumit Kumar,
President and CEO

John Hanna,
CFO

Corporate Information

Employees: 384

Headquarters:
771 Vanalman Avenue
Victoria, BC, Canada

Manufacturing Facility:
150 Cardinal Place
Saskatoon, SK, Canada

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

	Q1FY19	Q1FY18	Q4FY18
Revenue	\$21.3	\$14.9	\$24.4
Gross Margin	52.5%	57.0%	54.5%
Net (Loss)/Income from Continuing Operations	(\$1.1)	\$1.0	\$0.8
(Loss)/Earnings Per Share*	(\$0.05)	\$0.36	\$0.03
Adjusted EBITDA**	\$1.9	\$2.9	\$4.4
Cash and Short-term Investments	\$53.4	\$103.2	\$57.7

*Based on weighted average number of shares

**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 and on the Company's website at www.vecima.com.

Fiscal 2019 Outlook*

Management expects fiscal 2019 to be a year of continued investment and development as Vecima positions itself for industry leadership in the DOCSIS 3.1 market and the IP video content delivery and storage space.

With a strong financial foundation, Vecima is well positioned to pursue product strategies while also continuing to assess attractive acquisitions that provide significant accretion and give rapid access to technologies that will help drive growth and success.

*For more details on Vecima's Outlook for Fiscal 2019, please refer to the Company's most recently published Earnings Press Release and Management's Discussion & Analysis at www.vecima.com