



# Haiivision

## Investor Presentation

Connecting the World with Real-Time Video

June 2021

## GENERAL

This presentation is dated May 1, 2021 and is strictly intended to provide general information about Haivision Systems Inc. (the “Company”, “Haivision”, “us” or “we”) and its business. This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of Haivision. Information appearing in this presentation is a select summary of our business, operations and results. Our latest annual information form and consolidated financial statements and management’s discussion and analysis thereon for the year ended October 31, 2020 are available under our profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Any graphs, tables or other information demonstrating our historical performance contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of our future performance. The information contained in this presentation is accurate only as of the date of this presentation or the date indicated. All references in this presentation to dollars and “\$” are to Canadian dollars and all references to “US\$” are to United States dollars.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This presentation contains “forward-looking information” within the meaning of applicable securities laws. Such forward-looking information includes, but is not limited to, information with respect to our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. This forward-looking information is identified by the use of terms and phrases such as “may”, “would”, “should”, “could”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “believe”, or “continue”, the negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases.

Forward-looking information involves known and unknown risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, those described under “Risk Factors” in our most recent annual information, and in other periodic filings we have made and may make in the future with the securities commissions or similar regulatory authorities in Canada, all of which are available under our SEDAR profile at [www.sedar.com](http://www.sedar.com). Forward-looking information is based on management’s beliefs and assumptions and on information currently available to management. Although the forward-looking information contained in this presentation is based upon what we believe are reasonable assumptions, you are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information.

Consequently, all of the forward-looking information contained in this presentation is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained in this presentation is provided as of the date of this presentation, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

## NON-IFRS MEASURES

This presentation makes reference to certain non-IFRS measures, including EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin. These measures are not recognized under International Financial Reporting Standards (“IFRS”) and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. These non-IFRS measures are used to provide readers with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that market participants frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. Please refer to “Non-IFRS Measures” and “Selected Information and Reconciliation of Non-IFRS Measures” in our management’s discussion and analysis for the year ended October 31, 2020, available under our profile on SEDAR at [www.sedar.com](http://www.sedar.com), for the definitions and reconciliation of EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin presented by the Company to the most directly comparable IFRS measure.

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# The importance of reliable video

All too often we get

...while reliability of video is critical  
for enterprise applications:

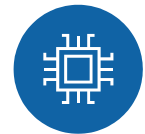




A leader in real time video encoding, streaming and decoding



A provider of performance hardware, software and cloud services



Fully integrated suite of mission critical solutions offering a one-stop-shop experience



High margin and high-performance products make us a leader in the video infrastructure market



Technical leadership and industry know-how creates barriers to entry



We service the Broadcast/Media, Enterprise and Government/Defense marketplaces globally



The world's top organizations use Haivision to communicate, collaborate and educate their customers and stakeholders



32 of the FORTUNE 50 Companies and many professional sports leagues as well as their broadcasters are our clients





**2004**  
YEAR  
FOUNDED

**7**  
STRATEGIC  
ACQUISITIONS

**320+**  
EMPLOYEES  
WORLDWIDE

**US\$15.2B**  
INDUSTRY  
MARKET  
GROWING AT  
15% CAGR

**\$83M**  
FY2020  
REVENUE

**72%**  
REPEAT  
CUSTOMERS<sup>1</sup>

**75%+**  
GROSS  
MARGIN<sup>2</sup>

**14**  
YEARS OF  
POSITIVE  
ADJUSTED  
EBITDA

Company fiscal year-end October 31

1. Represents sales generated in FY2020 by customers who were also customers of Haivision in the prior year

2. Represents gross margin since FY2018

Fully integrated suite of high-performance mission critical solutions providing end-to-end solutions by a single vendor

- Video capturing, encoding and streaming
- Grooming video streams for video distribution
- Providing lowest latency over any network
- Routing & transporting to data and processing centers, broadcast towers, studios, and facilities
- Packaging video for real-time, secure viewing anywhere and on any device

**Haivision's solutions are known for:**



QUALITY



RELIABILITY



SECURITY



PERFORMANCE

VIDEO CONTRIBUTION



Capturing hundreds of live sessions for global audiences



- Makito X Encoders / Decoders
- Haivision Media Platform
- Haivision HUB Cloud Routing

VIDEO NETWORKING



Distributing custom live content to European broadcasters



- Makito X Encoders / Decoders
- Haivision HUB Cloud Routing

VIDEO DELIVERY



Mission critical video for secure viewing across multiple facilities



- Makito X Encoders / Decoders
- Haivision Media Platform
- Haivision Play Pro Mobile App



## Broadcast / Media

Video Contribution,  
Remote Production,  
Global Video Networking

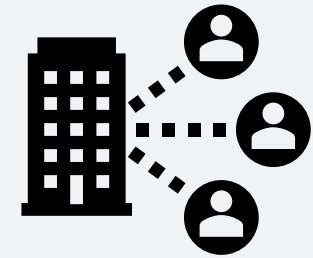
SIMPLIFYING THE BROADCASTER'S THIRST FOR CONTENT



## Government / Defense

Intelligence Surveillance  
& Reconnaissance (ISR),  
Situational Awareness

SUPPORTING MISSION CRITICAL OPERATIONS



## Enterprise

Internal Broadcast,  
IPTV & Messaging,  
Performance Recording

ENGAGING THE ORGANISATION'S INTERNAL AUDIENCE



## Illustrative end-clients



NYSE



**72%**  
REPEAT  
CUSTOMERS<sup>1</sup>

**32**  
OF  
FORTUNE 50

**140,000+**  
EDGE DEVICES  
INSTALLED

Company fiscal year-end October 31

1. Represents sales generated in FY2020 by customers who were also customers of Haivision in the prior year



## SECURITY & METADATA

**Secured network transmission**  
for multiple applications

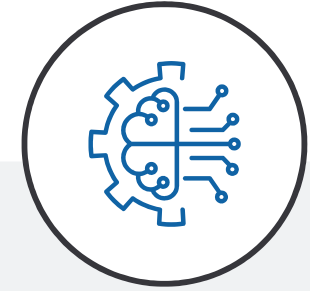
**Trusted and tamper-proof**  
embedded devices and  
server appliances



## INTELLIGENT EDGE

**Specialized edge devices** for  
live video encoding, decoding,  
and routing

Devices **centrally monitored**  
controlled, and managed



## AI / ML / ANALYTICS

**AI / ML application** for  
video encoding and network  
delivery optimization

**Dynamic video routing**  
and network topology based  
on AI insights

**Advanced analytics** for network  
health and performance

Technology spans optimized hardware design to scalable cloud-native development backed by an experienced and dedicated team of engineers



### Pioneer

Low latency  
edge-to-edge  
encoding



### Winner

Emmy Award  
presented in 2019  
for technology  
innovation



### Innovator

Artificial  
Intelligence &  
Machine  
Learning (AI/ML)



### Creator

SRT, a widely  
adopted standard  
streaming protocol

**48** TOTAL AWARDS

Our **expertise** and **innovation** have been recognized  
by industry leaders throughout the years



# Shaping the Future of Video Transport: The SRT Domain

**Pioneered the Secure Reliable Transport (SRT) protocol that solved IP-based video transport over unpredictable networks such as the public internet**

- Open sourced in 2017
- De-facto industry standard
- Endorsed by over **500** companies
- Extends Haivision's reach through partnerships



SECURE STREAMS



PRISTINE QUALITY



LOW LATENCY



OPEN SOURCE

## THE SRT ALLIANCE



### EMMY® AWARD-WINNING

Haivision's excellence and engineering creativity behind SRT was recognized with an Emmy® Award for Technology and Engineering.



## Virtual Draft, Interviews & Remote Officiating

- Main video infrastructure across the league
- Used for low latency, centralized officiating in NYC
- Facilitated NFL's first-ever virtual draft, serving video content through ESPN to 55M viewers
- Delivering real-time analyst and player engagement over public and private networks

Makito X Encoders  
Makito X Decoders  
SRT Gateway Cloud Routing  
Play Pro mobile application





## U.S. DoD Remote Piloted Aircraft (RPA) Program & AC-130

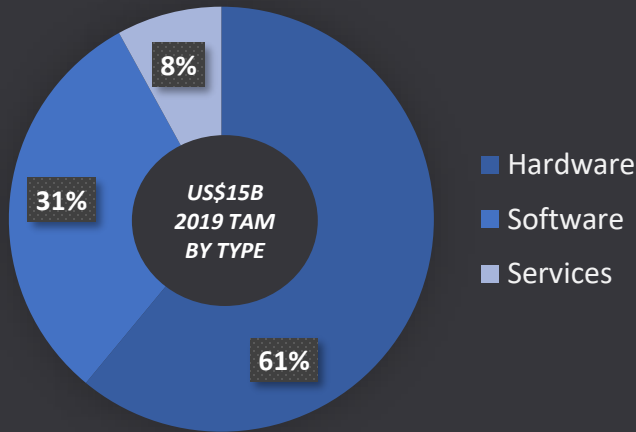
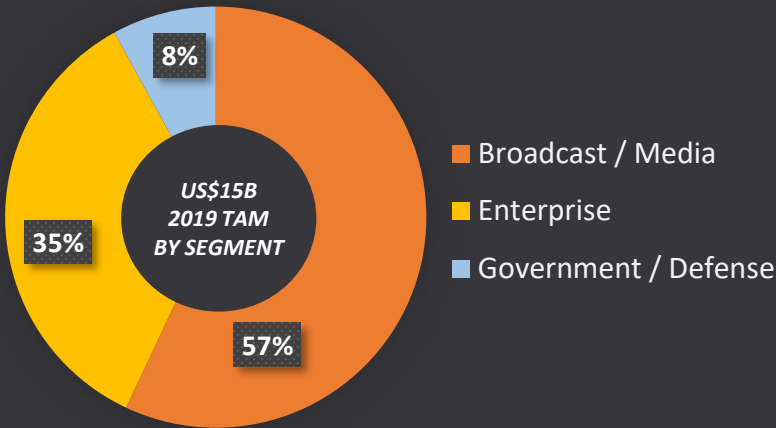
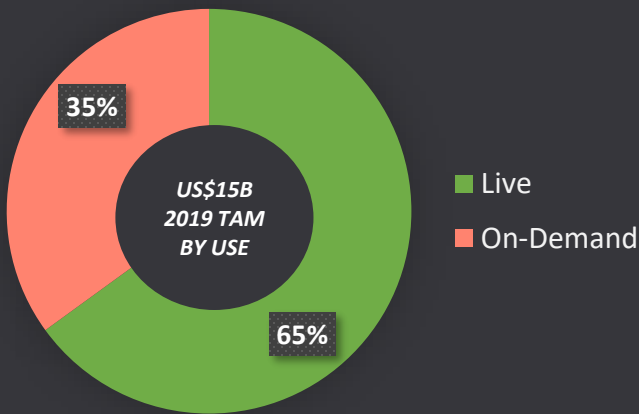
- Simultaneous video feeds with metadata for common operating picture & exploitation
- Deliver live sensor feeds to remote operators/pilots for situational awareness & platform control
- Video encoding or transcoding within “in-theater” flight cases and secure, low latency video delivery
- Real-time video feeds delivered throughout the military command structure for monitoring & decision making

Makito X Encoders  
Makito X Decoders  
Kraken Real-time Transcoders  
Play Pro Mobile Application

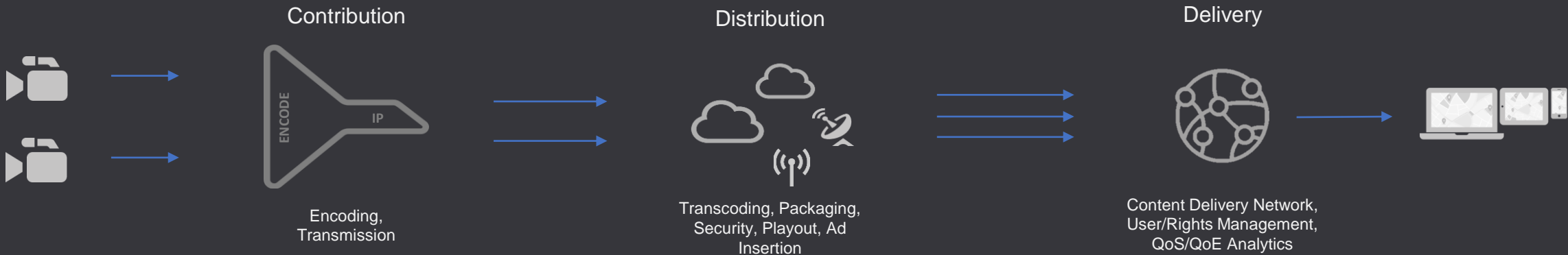


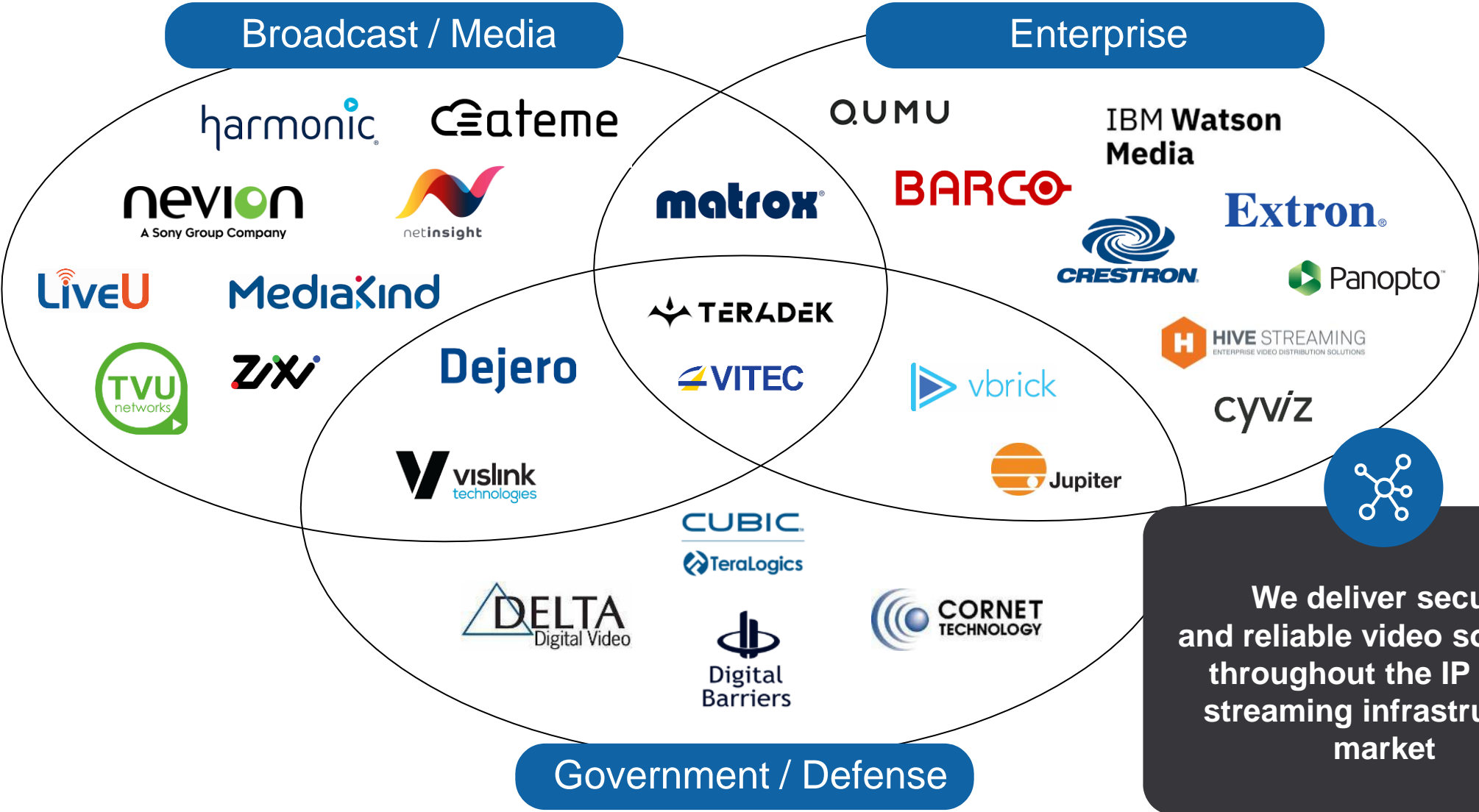
# Massive B2B Video Infrastructure Market

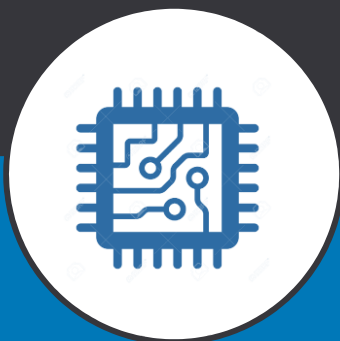
We are a key influencer within the ~US\$15 billion global video streaming infrastructure market which is expected to grow at a 15% CAGR from 2019 to 2028



Source: Research Nester, Assessment of the Global Video Streaming Infrastructure Market, September 2020







PERFORMANCE  
HARDWARE



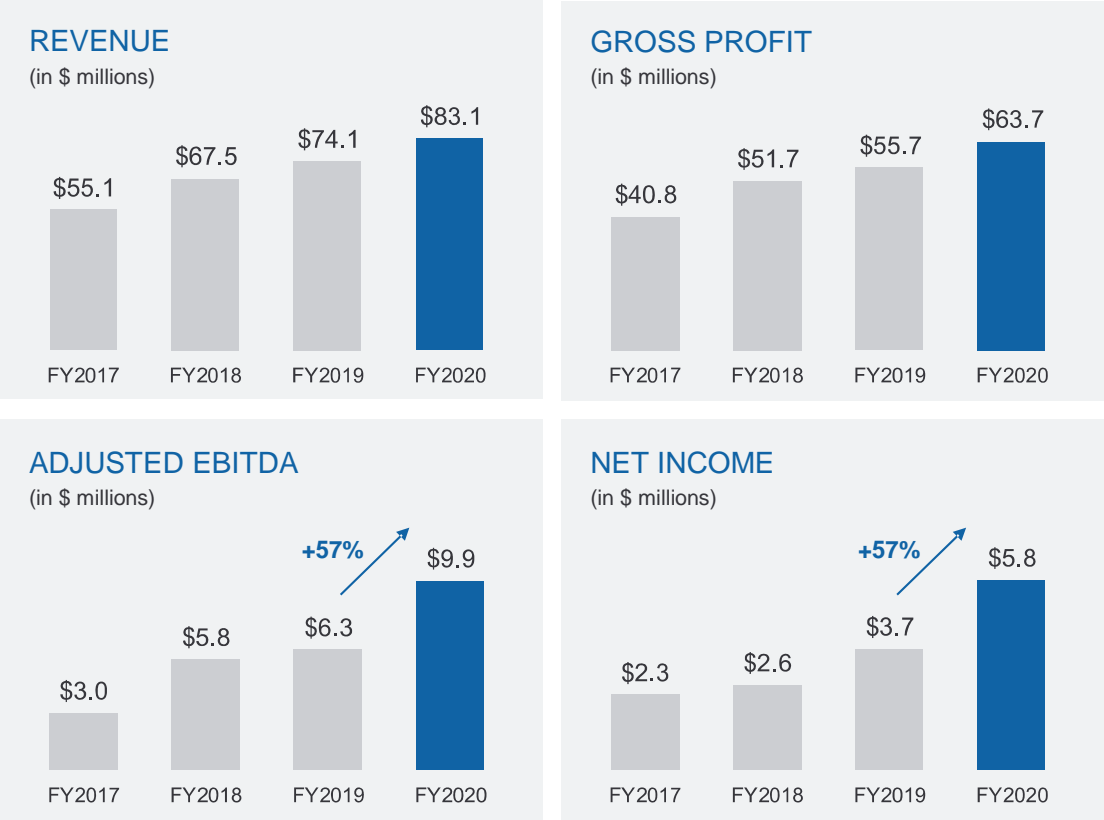
LEADING  
SOFTWARE



RECURRING  
SERVICES

Haivision revenues include both one time and recurring revenues from hardware and software sales, multi-year deployment programs, maintenance and support contracts and SaaS allowing for strong revenue visibility





Company fiscal year end October 31








Profitable growth driven by revenue model and industry-leading margins

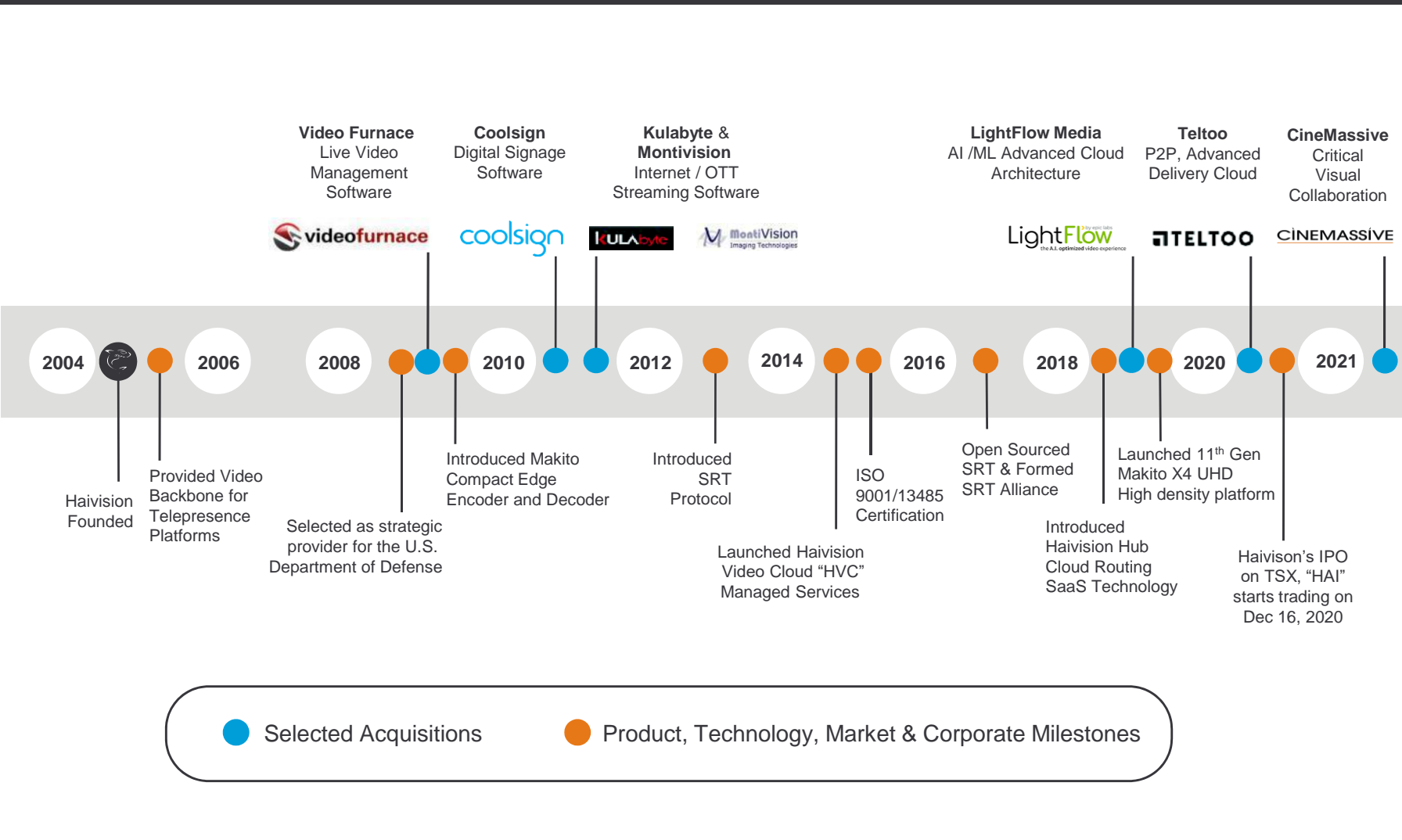
# Strong, Scalable Financial Metrics

	FY2017	FY2018	FY2019	FY2020
REVENUE	\$55M	\$67M	\$74M	\$83M
GROSS MARGIN	74%	77%	75%	77%
ADJUSTED EBITDA MARGIN	6%	9%	8%	12%
NET INCOME MARGIN	4%	4%	5%	7%

Company fiscal year-end October 31

## Growth & Margin Drivers

-  Customer acquisition
-  Upsell to existing customers
-  Increase software sales and recurring revenue
-  Leverage economies of scale
-  Operational leverage



7

## Acquisitions to date

### Acquisition Criteria

- ✓ Adjacent product technologies
- ✓ Strong customer installed base
- ✓ Businesses in the video infrastructure space
- ✓ Recurring revenue models
- ✓ Expand geographic reach
- ✓ Cutting edge technologies
- ✓ Talent acquisition

Building on a proven track record of 7 acquisitions to expand product breadth and geographic reach





Clearly defined growth strategy with multiple avenues to accelerate growth beyond current forecast

## MANAGEMENT TEAM

**Miroslav (Mirko) Wicha**, President, CEO & Chairman

- Haivision founder
- 35+ years of senior management experience with software & hardware companies
- Former EVP **Discreet/Autodesk**, Alias Research, SGI, HP

**Dan Rabinowitz**, CFO and EVP Operations

- 30+ years of experience in finance and management
- Former CFO of FinanSure, TUSC and Peapod

**Peter Maag**, CMO and EVP Strategic Partnerships

- 26+ years in business development, sales, marketing and partner development
- Former VP of Hyperchip and **Discreet/Autodesk**

**Mahmoud J. Al-Daccak**, CTO and EVP Product Development

- 25+ years of experience in product development
- Former CTO of MaxT Systems and ZipLocal, COO and Co founder of Polyester Media and VP Product Development of **Discreet/Autodesk**

Average of **20+** years of experience in the video industry

## BOARD OF DIRECTORS

**Harvey Bienenstock**

- VP Finance at Haemosan Inc. (Investment holding company)
- Former VP at Continental Pharma Cryosan Inc, publicly listed company

**Sidney Horn**

- Senior Counsel at Stikeman Elliott LLP
- Specializes in commercial, corporate and securities law and is a recognized expert in mergers and acquisitions

**Neil Hindle**

- President and Director of Barrontech Inc.
- Former Chairman and CFO of Atrion International Inc. and Managing Partner of Knorr Capital Partners Inc.

**Robin M. Rush**

- Serial entrepreneur and angel investor since 1983 and founding partner of Kulabyte LLC (acquired by Haivision in 2011)
- Former Director and Vice President of Rush Enterprises

**Julie Tremblay**

- Previously President and CEO of TVA Group and Quebecor Media Group between 2014 and 2017
- 25+ years of experience in telecom, entertainment and media

**Lee K. Levy II**

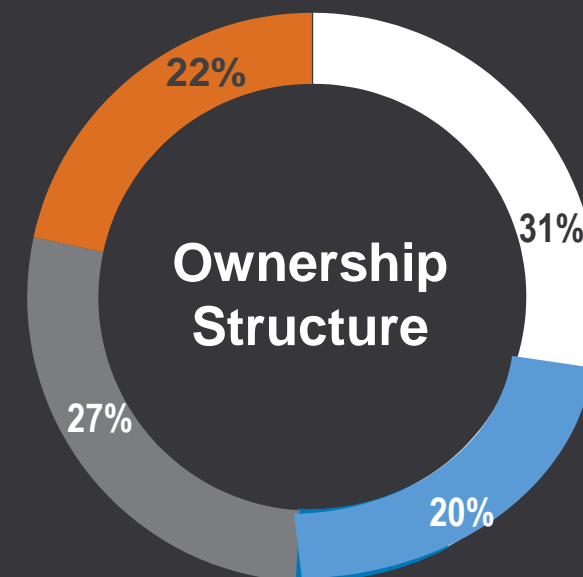
- President and CEO of The Levy Group, LLC
- Former Major General US Air Force holding numerous operational command and staff assignments leading logistics, civil engineering and nuclear operations

# Capitalization Summary

## Trading Information

Trading Symbols:	TSX:HAI
Recent close:	August 2, 2021: \$8.75
52 week high/low:	\$17.50 / \$6.30
Market capitalization at Aug 2, 2021:	\$252 million
Common Shares Outstanding:	28,758,887
Corporate Debt:	\$3.6 million*
Cash + Cash equivalents:	\$47.6 million*

\* As of 30<sup>th</sup> April, 2021



- Board & Management
- Employees
- Other
- Public Float





TECHNOLOGY  
LEADER AND  
INNOVATOR



HIGH GROWTH  
MARKETS  
WITH  
CUSTOMER  
MOMENTUM



PROVEN  
MANAGEMENT  
TEAM



CONSISTENTLY  
PROFITABLE  
WITH  
EXPANDING  
MARGINS

## Market Leader in Video Solutions

# Haivision

Quality • Reliability • Security • Performance

**Dan Rabinowitz**

Haivision

[cfo@haivision.com](mailto:cfo@haivision.com)

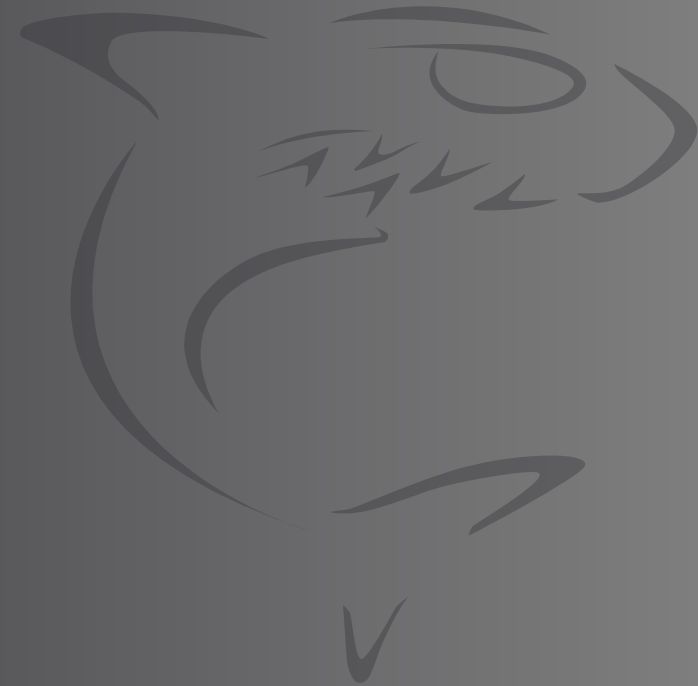
+1 (847) 362-6800 ext. 7209

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+1 (905) 326-1888 ext. 1



# Appendix



**Haivision**





## Mission Critical Video across Multiple Facilities

- Real-time, secure delivery of mission video feeds
- NASA Authority to Operate (ATO) certified
- Department of Defense Information Assurance Risk Management Framework (DIARMF) certified

Makito X Encoders  
Makito X Decoders  
Haivision Media Platform  
Play 2000 Set Top Boxes





## eSPORTS - League of Legends World Championships

- Enable remote production of major international eSports championship events
- 30+ stadium sources transported synchronously to central production facility in LA
- Delivered custom content by country to over 99M viewers globally
- Reduced on-site production personnel from 200 to less than 20
- Finalist for prestigious IBC Innovation Award

Makito X Encoders  
Makito X Decoders  
SRT Gateway Cloud Routing  
Play Pro mobile application





“We’re dealing with infrastructure that can be unreliable, and so using Haivision along with SRT, we get a much more robust feed, ensuring high quality low latency feeds for viewers in any location. The setup and implementation are simple, and training content operators takes all of two minutes.”

**Jeff Tyler**

Digital Media Experience Lead,  
Microsoft

## Video Infrastructure for Major Corporate Events

- Catering to hundreds of thousands of virtual and in person attendees
- Feature hundreds of conference sessions and panels
- Replaced the primary satellite link to their production center with the use of Haivision Media Platform to record and stream the conferences

Makito X Encoders  
Makito X Decoders  
Haivision Media Platform, SRT  
Play 2000 Set Top Boxes





“The beauty of the Haivision Hub cloud solution integrated within the unique broadcast services delivered through our network, is that it offers our EBU broadcasters flexibility to do more interviews and create more custom feeds to meet increasing demand for tailored content without staff having to travel to the sports venue.”

**Franck Choquard**  
Head of Content and Platforms,  
Eurovision Sport at EBU

## Content Distribution for Regional Production

- Used public internet for cost effective video transport
- Delivery of primary feed and country specific feeds to EBU member national broadcasters across Europe
- Enables national broadcasters to create more engaged tailored live content without extensive staff travel

Makito X Encoders  
Makito X Decoders  
Haivision Hub Cloud Routing