NEWS RELEASE

Haivision Announces Results for the Three Months Ended January 31, 2023

3/15/2023

Haivision reports first-quarter revenue growth 20.2%

MONTREAL, March 15, 2023 /PRNewswire/ - **Haivision Systems Inc.** ("Haivision" or the "Company") (TSX: HAI), a leading global provider of mission critical, real-time video networking and visual collaboration solutions, today announced its results for the first quarter ended January 31, 2023.

"By delivering record first-quarter revenue, we continue to reaffirm the trust of our core markets in our capability to deliver the most trusted mission-critical live video solutions," said Mirko Wicha, Chairman and CEO of Haivision. "Our solutions are demonstrating unmatched efficiency in reducing costs and creating more content within the broadcast, media, and entertainment segments, while also addressing the pressing needs for remote engagement, situational awareness, and tackling the challenges of global missions, operations and cybersecurity threats within the defense, government, and enterprise sectors."

Q1 2023 Financial Results

- Revenue of $34.1 million represents an increase of 20.2% from the prior year comparative period.
- Total expenses for the three months ended January 31, 2023 were $23.7 million, an increase of $3.9 million from the prior year comparative period largely related to the acquisition of Aviwest in April 2022 Resulting operating loss was $1.0 million, a $0.9 million decrease from the prior year period.
- Adjusted EBITDA for the three months ended January 31, 2023 was $2.1 million compared to $2.1 million for the prior year comparative period.

- Adjusted EBITDA Margins for the three months ended January 31, 2023 were 6.2% compared to 7.6% for the prior year comparative period.
- Net loss of $1.4 million compared to a net loss of $0.5 million in the prior year comparative period.

Key Company Highlights

- Successful deployment of Haivision Pro Series transmitters on 5G private networks for elections in Denmark (TV2), sailing in Spain (Telefonica), and football in Germany (Media Broadcast/Nokia).
- TV Technology Magazine selected Haivision Pro Series transmitters (Pro460) "Best in Market 2022" for innovation, feature set, cost efficiency and performance.
- Launched Haivision Command 360 for mission critical collaboration to international markets at ISE exhibition in Barcelona.
- Launched Haivision Hub for Government, the only FedRAMP video network service to securely stream live video.
- SRT Alliance membership surpasses 600 members.
- Haivision Makito X4 awarded "Best Encoding Hardware for Live Production" at the 2022 Streaming Media Readers' Choice Awards.
- Haivision announced the appointment of Jean-Marc Racine as Chief Product Officer and announced the completion of a strategic reorganization.

"We just delivered our twelfth consecutive year of positive Adjusted EBITDA; while restructuring and refocusing on key markets." said Dan Rabinowitz, Chief Financial Officer and EVP, Operations. "Our unwavering commitment to delivering the promised synergies of our acquisitions has resulted in a streamlined and efficient organization, poised to provide high-quality solutions to our core markets. We are confident that our strategy will continue to generate increased value for our shareholders and is certain to drive our growing profitability targets."

Financial Results

Revenue for the three months ended January 31, 2023 were $34.1 million, an increase of 20.2% from the prior year period. The primary contributors to revenue growth was the recent acquisition of Aviwest in April 2022. Gross Margins* for the three months ended January 31, 2023 were 66.9% whereas gross margins for the prior year comparable period were 69.4%. Gross Margins* were impacted by revenues generated by Aviwest which operates at a lower gross margin than Haivision's traditional business.

Total expenses for the three months ended January 31, 2023 were $23.7 million, an increase of $3.9 million from the prior year comparative period largely related to the acquisition of Aviwest in April 2022 – including a $1.1 million increase in depreciation expense related to acquired assets and intangibles.

Adjusted EBITDA* for the three months ended January 31, 2023 was $2.1 million compared to $2.1 million for the prior year comparative period. For the three months ended January 31, 2023 the operating loss was $1.0 million, compared to an operating loss of $0.1 million for the prior year comparative period. The $5.7 million increase in revenue resulted in a $3.0 million increase in gross profit offset by the $3.9 million increase in total expenses.

*Represents a non-IFRS measure. For the relevant definition, see "Non-IFRS Measures" below. As applicable, a reconciliation of this non-IFRS measure to the most directly comparable IFRS financial measure is included in the tables at the end of this press release and in the Company's management's

discussion and analysis for the three months ended January 31, 2023.

Conference Call Notification

Haivision will hold a conference call to discuss its first quarter financial results on Wednesday, March 15, 2023 at 5:30 pm (ET). To register for the call, please use this link **https://conferencingportals.com/event/myiwYleM**. After registering, a confirmation will be sent through email, including dial in details and unique conference call codes for entry.

Financial Statements, Management's Discussion and Analysis and Additional Information

Haivision's consolidated financial statements for the first quarter ended January 31, 2023 (the "Q1 Financial Statements"), the management's discussion and analysis thereon and additional information relating to Haivision and its business can be found under Haivision's profile on SEDAR at **www.sedar.com**. The financial information presented in this release was derived from the Q1 Financial Statements.

Forward-Looking Statements

This release includes "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable securities laws, including, without limitation, statements regarding the Company's growth opportunities and its ability to execute on its growth strategy. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent

management's current beliefs, expectations, estimates and projections regarding future events and operating performance.

Forward-looking statements are necessarily based on opinions, assumptions and estimates that, while considered reasonable by Haivision as of the date of this release, are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking statements include, but are not limited to, the risk factors identified under "Risk Factors" in the Company's latest annual information form, and in other periodic filings that the Company has made and may make in the future with the securities commissions or similar regulatory authorities in Canada, all of which are available under the Company's SEDAR profile at **www.sedar.com**. These factors are not intended to represent a complete list of the factors that could affect Haivision. However, such risk factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release. Haivision undertakes no obligation to publicly update any forward-looking statement, except as required by applicable securities laws.

Non-IFRS Measures

Haivision's consolidated financial statements for the first quarter ended January 31, 2023 are prepared in accordance with International Financial Reporting Standards ("IFRS"). This press release makes reference to certain non-IFRS measures, including "EBITDA", "Gross Margin", "Adjusted EBITDA" and "Adjusted EBITDA Margin". These measures are not recognized measures under 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. Accordingly, these measures should not be considered in isolation or as a substitute for analysis of our financial information reported under IFRS. Rather, these non-IFRS measures are used to provide investors 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 securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

Adjusted EBITDA is a supplemental measure used by management to assess the financial performance of our business. Adjusted EBITDA is also a key metric that management uses prior to execution of any strategic investing or financing opportunity. "EBITDA" is defined as earnings (loss) before income taxes, depreciation, amortization and financial expenses and "Adjusted EBITDA" is defined as EBITDA, as adjusted for stock-based compensation and certain non-recurring expense items. "Adjusted EBITDA Margin" represents Adjusted EBITDA divided by revenue.

"Gross Margin" represents gross profit divided by revenue.

A reconciliation of EBITDA and Adjusted EBITDA to Net income (loss) is included in the tables at the end of this press release and in the Company's management discussion and analysis for the three months ended January 31, 2023.

About Haivision

Haivision is a leading global provider of mission-critical, real-time video streaming and visual collaboration solutions. Our connected cloud and intelligent edge technologies enable l organizations globally to engage audiences, enhance collaboration, and support decision making. We provide high quality, low latency, secure, and reliable live video at a global scale. Haivision open sourced its award-winning SRT low latency video streaming protocol and founded the SRT Alliance to support its adoption. Awarded four Emmys® for Technology and Engineering from the National Academy of Television Arts and Sciences, Haivision continues to fuel the future of IP video transformation. Founded in 2004, Haivision is headquartered in Montreal and Chicago with offices, sales, and support located throughout the Americas, Europe, and Asia. Learn more at **haivision.com**.

Thousands of Canadian dollars (except per share amounts)

	Three months ended January 31,	
	2023	2023
	($)	($)
Revenue	34,066	28,334
Cost of sales	11,394	8,665
Gross profit	26,672	19,669
Expenses		
Sales and marketing	7,406	5,943
Operations and support	3,727	2,564
Research and development	7,487	6,201
General and administrative	4,697	4,314
Share-based payment	375	769
	23,692	19,791
Operating loss	(1,021)	(122)
Financial expenses	604	154
Loss before income taxes	(1,625)	(276)
Income taxes		
Current	(324)	(117)
Deferred	121	323
	(203)	206
Net loss	(1,421)	(482)
Other comprehensive income		

Foreign currency translation adjustment	752	2,048
Comprehensive income (loss)	(670)	1,566
Net loss per share		
Net income (loss) per share (basic and diluted)	($0.05)	($0.02)
Weighted average number of shares outstanding (basic and diluted)	28,884,924	28,785,252

Thousands of Canadian dollars

	As at	
	January 31, 2023	October 31, 2022
	$	$
Assets		
Current assets		
Cash	12,706	5,773
Trade and other receivables	19,043	26,711
Investment tax credits receivable	3,000	3,000
Inventories	20,909	21,056
Prepaid expenses	4,988	5,125
	60,646	61,665
Property and equipment	3,621	3,808
Right-of-use assets	8,507	8,948
Intangible assets	22,293	23,664
Goodwill	44,397	44,435
Non-refundable investment tax credits receivable	4,309	3,298
Income taxes receivable	302	—
Deferred income taxes	2,547	2,778
	85,976	86,931
	146,622	148,596
Liabilities		
Current liabilities		
Credit facility	15,162	11,173
Trade and other payables	12,302	17,841
Restructuring costs payable	201	1,670
Purchase price payable	1,450	1,985
Income taxes payable	—	42
Current portion of lease liabilities	1,571	1,538
Current portion of term loans	1,417	1,389
Deferred revenue	11,330	9,246
	43,433	44,884
Lease liabilities	7,828	8,258
Long term debt	2,477	2,617
Deferred revenue	3,170	2,587
	56,908	58,345
Equity		
Share capital	90,902	90,176
Retained earnings	(10,328)	(9,195)
Stock option reserve	3,684	4,565
Cumulative translation adjustment	5,456	4,704
	89,714	90,251
	146,622	148,596

Thousands of Canadian dollars

	Three months ended January 31,	
	2023	2022
	($)	($)
Net Income (loss)	(1,422)	(482)
Income Taxes	(203)	206
Income before income taxes	(1,625)	(276)
Depreciation	778	515
Amortization	1,969	980
Financial expenses	604	154
EBITDA (1)	1,726	1,372
Share-based payment (LTIP)	376	769
Adjusted EBITDA (1)	2,102	2,142
Adjusted EBITDA Margin(1)	6.2 %	7.6 %

Note:
(1) Non-IFRS measure. See "Non-IFRS Measures".

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