



**VISLINK**

**Q1 2023 Conference Call Presentation**  
**May 15, 2023**

**At the heart of the action.**

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# Agenda

- Q1 2023 Highlights
- Q1 2023 Financial Results
- Go-To-Market Strategy Update
- Product Update
- Target Markets Update
- Q&A



# Q1 2023 & Recent Highlights

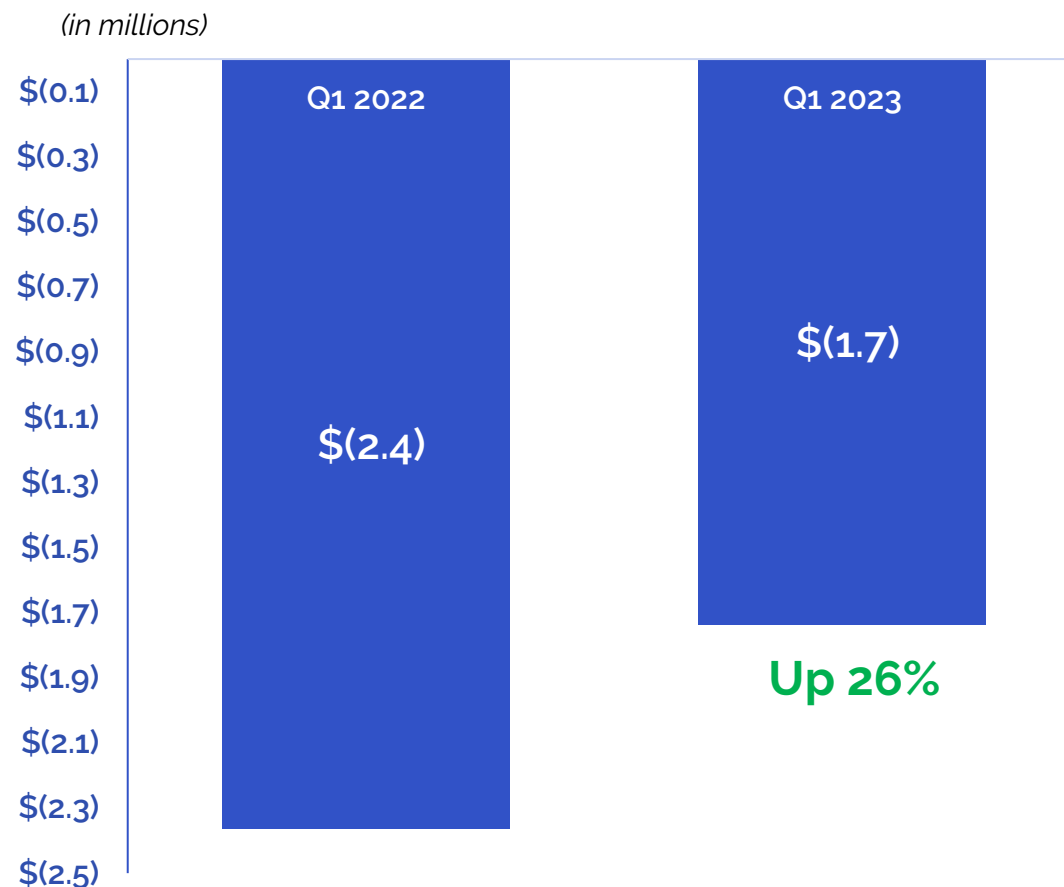
- **Strong profitability improvements driven by continued cost management efforts**
  - Gross margins increased YoY to 54%
  - 26% improvement in EBITDA
- **Strong progress with new go-to-market strategy**
  - Robust weighted sales funnel, highlighted by most \$1M+ deals post-COVID
  - Streamlined operations and improved cross-departmental coordination and execution
  - Re-vamped sales initiatives, including attaching software and services to all hardware sales
- **Successful product rollouts**
  - Commenced delivery with our first 6 AeroLink units
  - 5G-Link selected as NAB Product of the Year



# Q1 2023 Financial Overview

- **Total revenue: \$7.2 million**
  - **5% yoy increase** from \$6.9 million
- **Gross profit: \$3.9 million**
  - **54% gross profit margin, up 4% yoy**
- **Total expenses: \$6.2 million**
  - **Improved 5% yoy**
- **Operating loss: \$(2.3) million**
  - **Improved 25%** from \$(3.1) million in Q1 2022
- **Net loss: \$(1.8) million**
  - **Improved \$1.0 million** from Q1 2022
- **EBITDA: \$(1.7) million**
  - **Improved 26%** from \$(2.4) million
- **Cash/cash equivalents: \$14.0 million**
  - **Invested \$10.8 million in federal bonds** intended to be held to maturity
  - **Strong, debt-free balance sheet** as we continue to review value accretive mergers and acquisitions

## 26% EBITDA Improvement



# Q1 2023 Financial Overview

\$(millions)	2022	2023	Change
GAAP Revenue	\$6.9	\$7.2	+5%
Gross Profit	\$3.4	\$3.9	+4%
Income (Loss) from Operations	\$(3.1)	\$(2.3)	+\$0.8
Net Income (Loss) Attributable to Vislink	\$(2.8)	\$(1.8)	+\$1.0
Adjusted EBITDA*	\$(1.3)	\$(0.5)	+\$0.8

# Go-To-Market Strategy Gaining Traction

- **New GTM strategy to drive stronger top- and bottom-line results**
  - Working from robust sales funnel with significant \$1M+ opportunities
  - Building upon streamlined operations in 2022
  - Primary go-forward focus on public safety growth market
- **Revamped sales initiatives**
  - Pursuing larger opportunities in public safety and sports and entertainment end-markets
  - Expanding international sales pipeline in EMEA and APAC
  - Implementing initiatives to drive software and services sales to increase recurring revenue
- **Revitalizing marketing to drive future growth**
  - Expanding presence and number of qualified leads
  - Attending key industry conferences and trade shows

## Public Safety



## Broadcast



## Sports & Entertainment



# Product Update

## Hardware

### Cliq OFDM



- Dual feed, dual audio transmitter capable of 4k video
- Multi-market applications in sports and on-board vehicles

### Aerolink



- Provides 4K air-to-ground video
- 6 deployments to MilGov customers in Q1 with doubled volume forecasted in Q2

## Software

### Quantum



- Released latest software which includes SMTP 2110 UHD Video
- Includes dual channel/dual band simultaneous video capability

### LinkMatrix 2.0



- Software fully integrates all Vislink and Mobile Viewpoint products, allowing users to manage and better utilize our solutions



# MilGov Market Update

- **50% revenue increase in Q1 2023**
  - 13% of total revenue, up from 9% in Q1 2022
- **Line of sight to potentially doubling Public Safety revenue in 2023**
- **Driving high-margin professional services revenue as we increase the number of system installations**
- **Strong industry tailwinds providing agencies with increased buying power**
- **Delivered first 6 units of AeroLink in Q1, with strong momentum continuing in Q2**
- **New products receiving positive market reception**
- **Continuing to build an international sales pipeline in Western Europe, Asia and the Middle East**



# Live Production Markets Update

- **Live Production revenue was \$5.1 million**
  - Contributed 71% of revenue this quarter
  - Live production will remain a key part of topline performance, even as we further emphasize MilGov
- **Showcasing at major events**
  - *Coronation of King Charles III in London*
  - *Premier Formula 1 race coverage*
- **Showcasing new products at industry conferences**
  - Demand for Vislink solutions within Live Production markets remains strong, despite the state of the macro environment



# Continued Progress Toward Organic, Profitable Growth

- **Benefitting from the strategic actions taken to transform the business in recent quarters**
  - Improved profitability metrics while growing revenue year over year
  - Increased alignment across the company to improve operations
- **Expanding on the momentum in our MilGov segment with solid growth in the public safety market**
  - Achieved 50% revenue growth in the MilGov segment in Q1 2023
  - Continue to explore strategic opportunities in this area that will enable us to drive scale
- **Gaining traction with go-to-market strategy**
  - Hardware sales are a gateway to higher margin, recurring software and services revenue
  - Adding a service-level-agreement to all hardware sales as one initiative to help attain a 90/10 hardware-to-software split
- **Building a quality and robust sales funnel consisting of deals with high dollar-value potential**
  - Increased the quantity of deals over \$1M in our funnel
  - Prioritizing increased, targeted marketing to further expand opportunities to grow the customer base
- **Delivering value to customers with new product development**
  - Shipped the first six units of AeroLink with volume expected to double in Q2
  - Quantum Receiver and Cliq OFDM products are seeing strong traction with customers
  - Won NAB Product of the Year Award for 5G-Link



Q&A



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