



Investor Presentation

January 2020

Safe Harbor

During the course of this presentation, we will provide projections and other forward-looking statements regarding future events or the future financial performance of SeaChange International, Inc. (the Company), including expectations concerning our business strategy for this year and beyond. Such statements are only current expectations and actual events, and results may differ materially. We refer you to the Company's filings with the SEC, particularly our most recent Reports on Form 10-K, Form 10-Q and Form 8-K. These documents identify important risk factors that could cause actual results to differ materially from our projections or other forward-looking statements. We will also present financial metrics determined on a "non-GAAP" basis. These items, together with the corresponding GAAP numbers and a reconciliation to GAAP, are contained in this presentation and the related earnings press release on our website at <https://www.seachange.com/about/news-events/>.

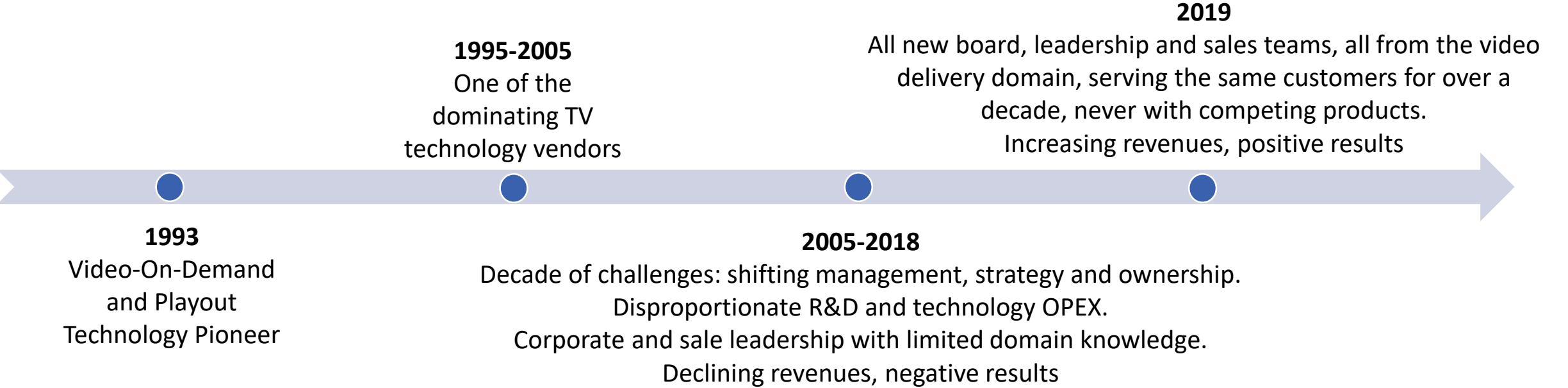
This Is SeaChange

HQ based outside of Boston,
R&D Warsaw Poland

Legacy: Hardware & Software
Today: Software Only

Customers: Service and
Content Providers, Cable, IP
and OTT

FYE January
FY19 \$62M Revenue
FY20 \$70-80M Revenue*
Zero Debt, \$13.8M Cash Q3E**



*Guidance provided on December 4, 2019

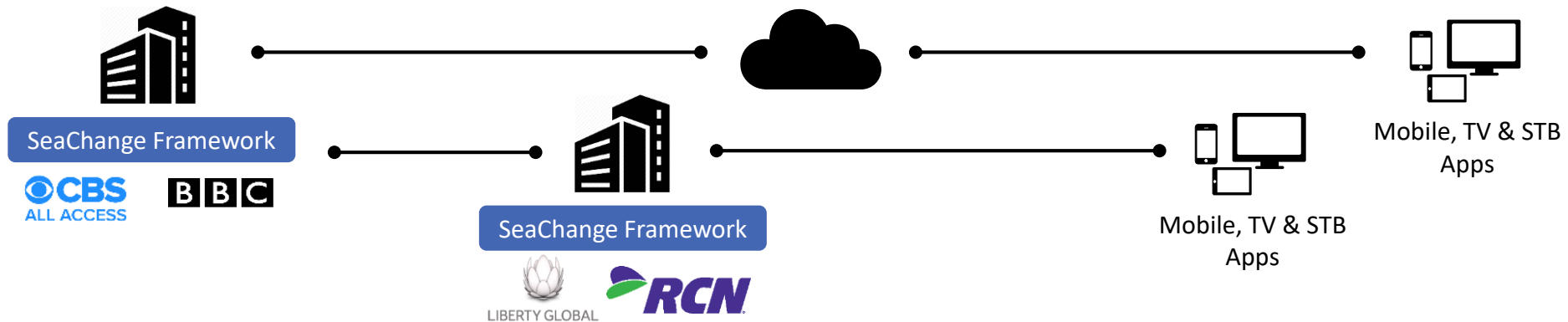
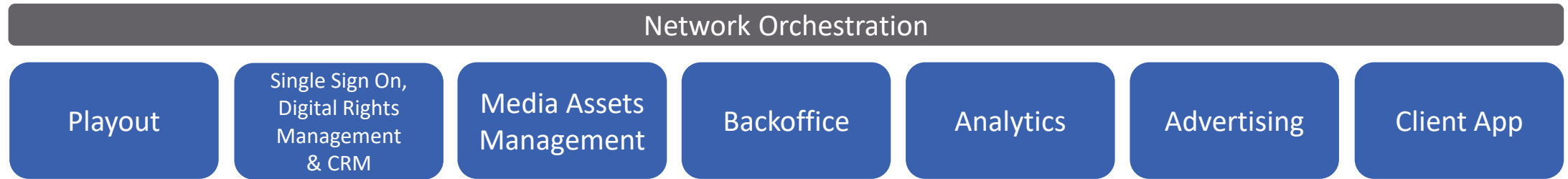
** Includes Cash, Cash Equivalents, Restricted Cash and Marketable Securities

The SeaChange Framework

Core Software Infrastructure For Video Delivery



Service & Content Providers Video Delivery Platform



Solid Foundation with Industry Insider Leadership

- **Proven Technology & Known Brand**

- \$250M+ invested in product and technology over last 5 years
- Worldwide recognition; numerous Technology and Engineering Emmy Awards
- Powering 50M+ Daily Subscribers

- **New Outbound and Management Teams**

- Leadership, Sales, Product & Marketing
- Most worked together prior to joining SeaChange

- **Efficient & Productive Organization**

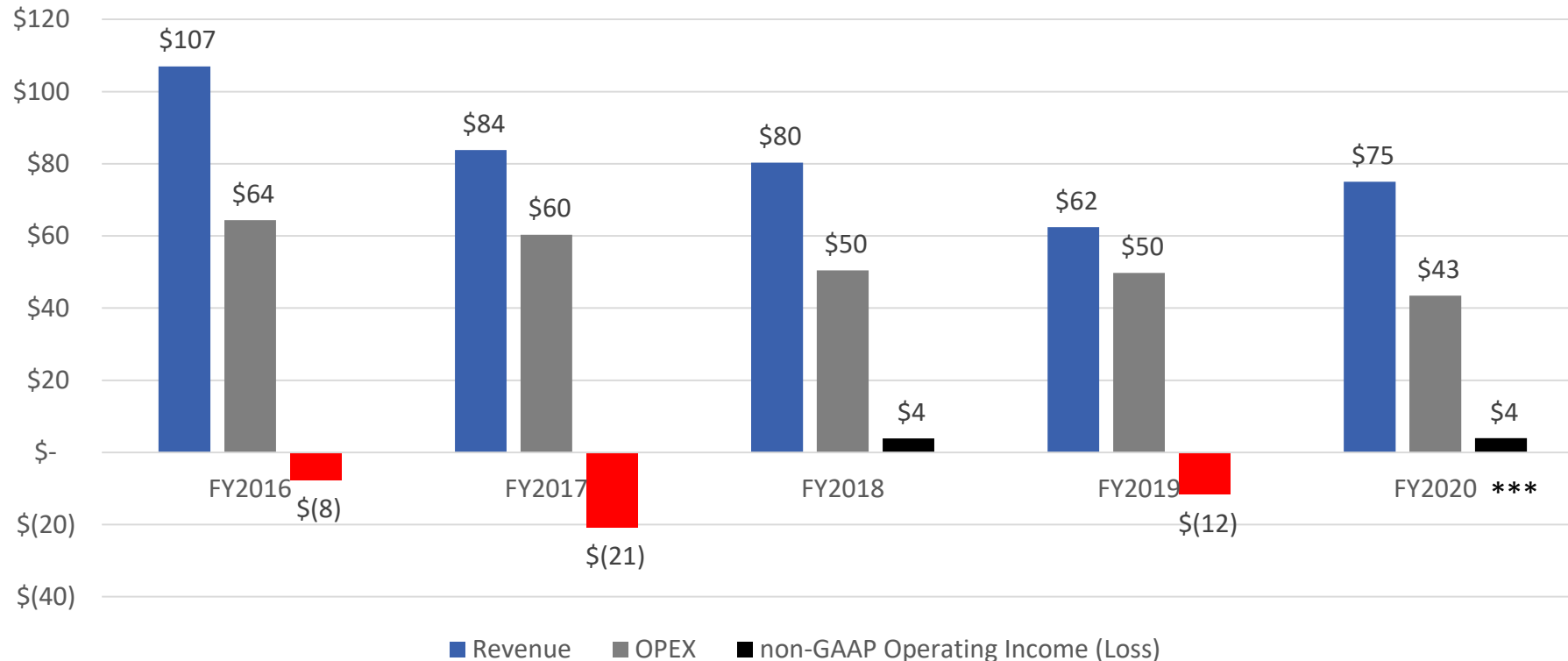
- Software operation gross margins targeting 70%
- Unified R&D organization in a single location
- Streamlined G&A and Sales & Marketing Structures

Investment Highlights: Growing, Profitable, Zero Debt

HQ: Boston
R&D: Warsaw Poland

317 Employees*

Segment average P/S 4.1
SEAC P/S ~1.9 **



*Includes full time employees and contractors as of 12.31.19.

** as of 12.31.19.

*** FY2020 Includes the mid-point of guidance given on December 4, 2019.

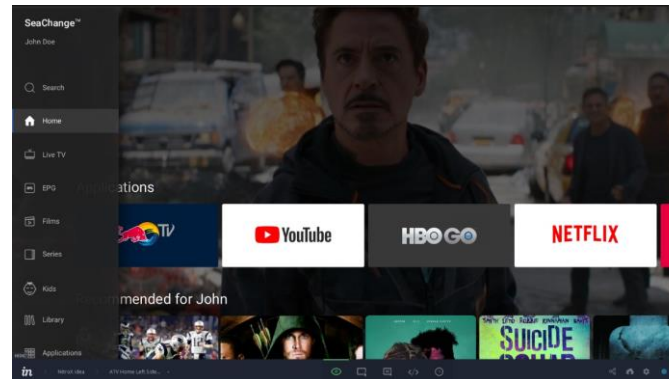
Our Strategy: Enabling Service & Content Providers to Increase Revenues, Decrease Customer Churn, and Reduce OpEx

Win the Advertising Revenues



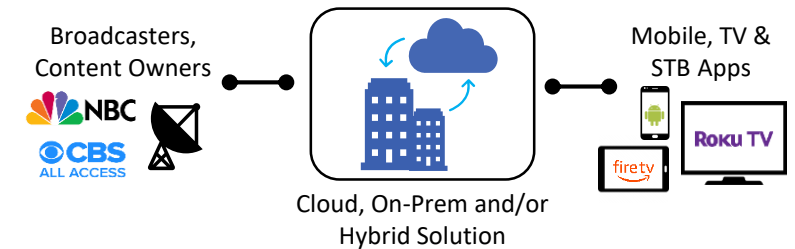
- Bringing a browser ad-experience to the TV/Mobile video screen
- Dynamic & targeted ads by viewer, device, and household

Enhanced Viewing Experience



- Interface look, feel and speed for both OTT and "legacy" Set-top-box
- In home and out of home OTT service enablement

OPEX Savings



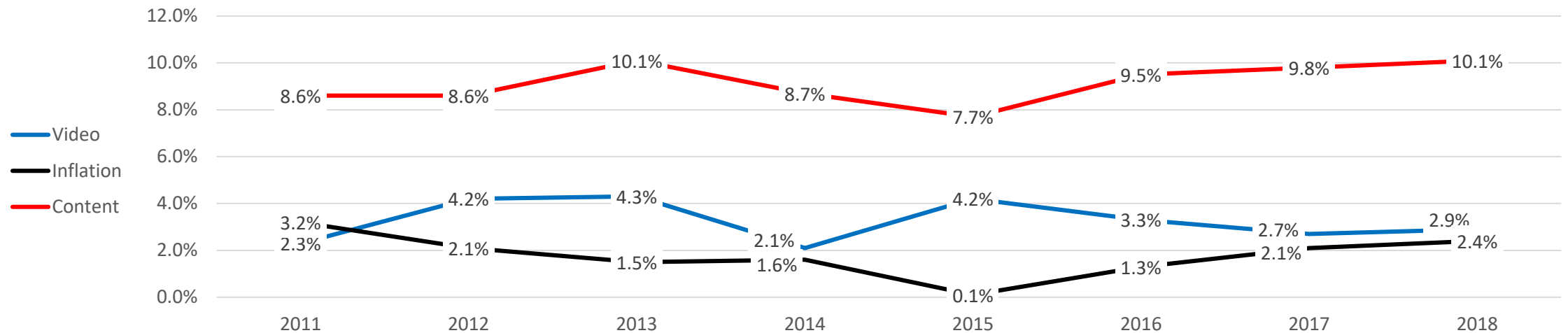
- Cloud and on-premises Integrated, managed and self-care system
- High quality of service – simplified customers' engineering operations

The Framework is More Than a Video Delivery Platform

Customer OPEX Control - Using Our Value Based Engagement

- Content costs are increasing at a ~10% CAGR with no sign of decelerating
- Our unique value-based Framework engagement allows our customers to offset a portion of that increase

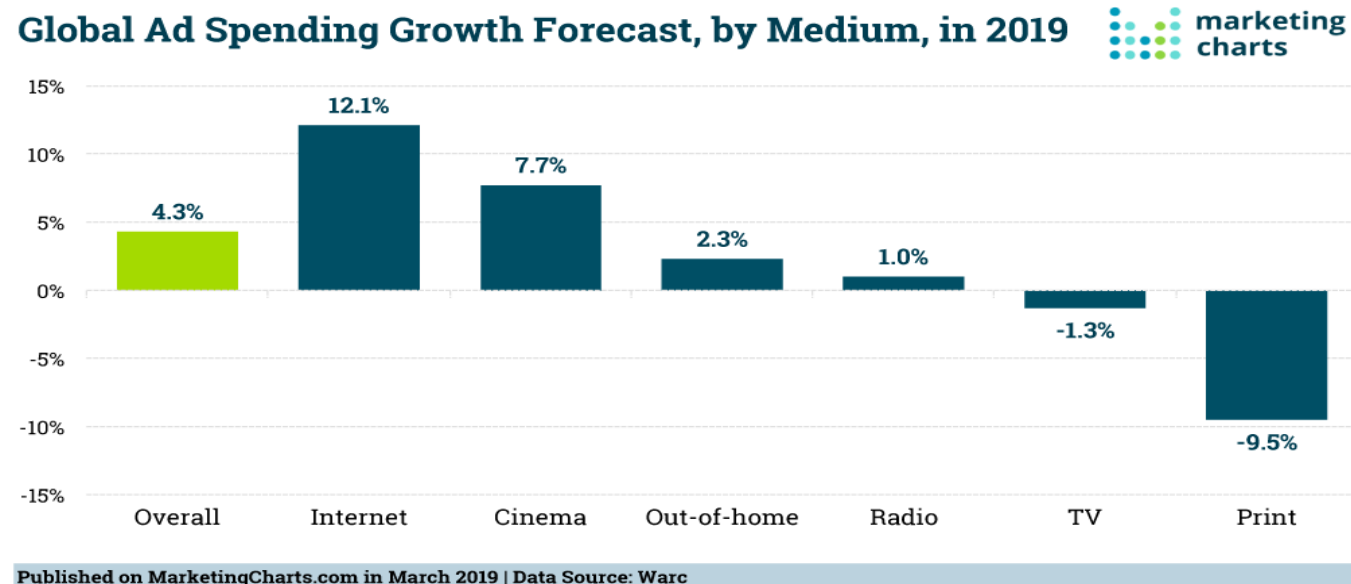
Increase in Video ARPU, Content Cost vs. Inflation¹
Average Annual Increase: Programming 9% | Video ARPU 3% | Inflation 2%



¹ Data from a T1 service provider

The Framework Drives Increased Ad Revenues Via Programmatic Real-Time Ad-Experience on TV/Mobile Screen

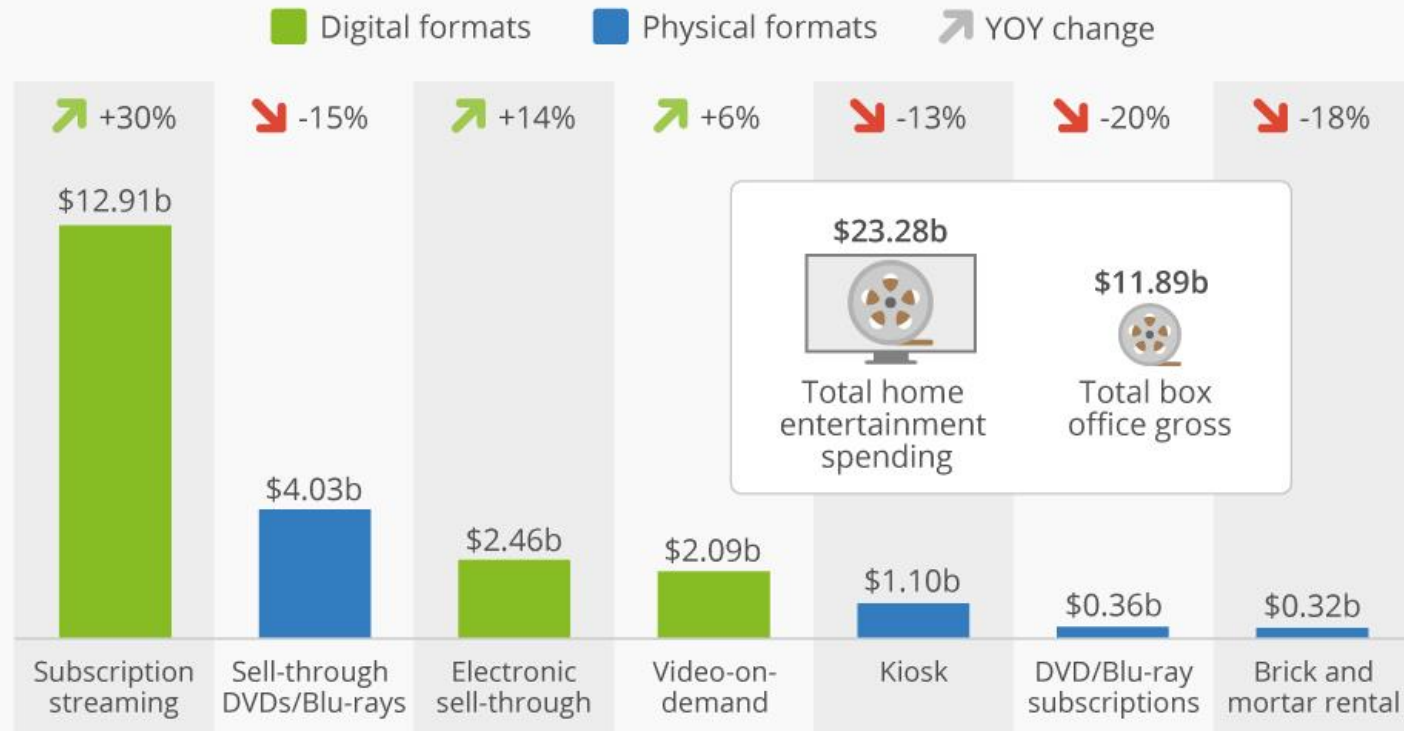
- Targeted, Dynamic Advertising Driving Internet Revenues Increase
- “Traditional” TV Losing Advertising Revenues
- The Framework enables real-time ad-insertion for linear channels and VOD



Increasing Demand for OTT Streaming Is Increasing Demand For The Framework Solution

Streaming Dominates U.S. Home Entertainment Spending

Consumer spending on home entertainment in the United States in 2018



@StatistaCharts

Sources: The Digital Entertainment Group, Box Office Mojo

statista

FY20 A True Seachange

1. Technology &
Product Leadership

2. Increasing TAM &
Market Demand

3. Proven Team With
Domain Knowledge &
Experience

4. Corporate
Restructuring
Completed

5. Positive Win Momentum
Increasing Revenues
Profitable

6. Likely Undervalued
Segment Price to Sales 4.1*
SEAC Price to Sales ~1.9 **

*Software segment
** as of December 31, 2019.

FY20 Key Operating Metrics Q3E Status

	Goal	Q3 Update *
1	Close 20 – 25 significant deals for multiple product / service offerings on an annual basis.	Closed 15 significant deals since the rollout of our Framework solution in April of this year.
2	Complete the development and product launch of 3 significant new product offerings.	Achieved in second quarter this year when the company released 7 th generation Back Office, virtualized Orchestrator and predictive Analytics 1.0.
3	Continue to reduce costs by focusing on reducing essential third-party costs and eliminating non-essential costs.	On-track, efforts to reduce third-party costs were significantly achieved, with full annualized savings impact beginning to be reflected in Q3. The changes the Company has made this year, and will continue to make during the fourth quarter, are expected to generate over \$12 million in annual cost savings.
4	Increase cash by \$3 - \$6 million.	Expect FY end cash levels at \$14-\$16 million versus prior expected \$22-\$25 million. However, expect improved cash position in FY21 driven by growth in framework transactions and lower OpEx.

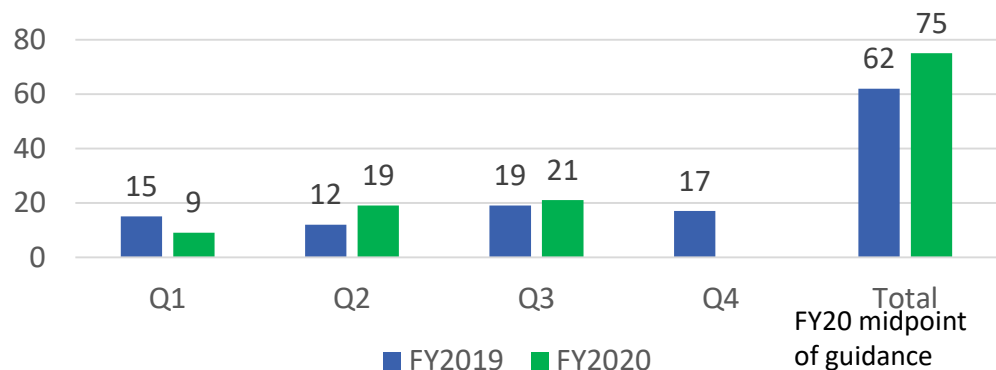
* Guidance provided on December 4, 2019.

FY2020 Q3E Results: Inline with SEAC 2.0 Plan

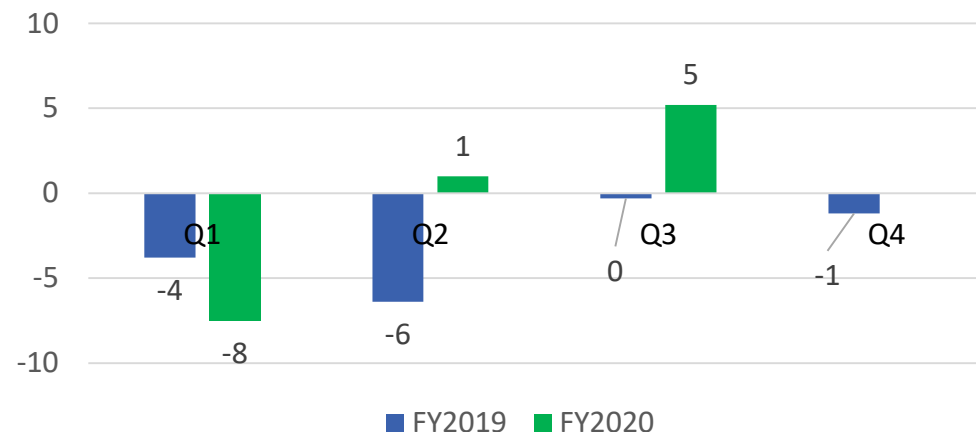
Revenues FY20 On-Track

FY19/Q3E \$45.4M

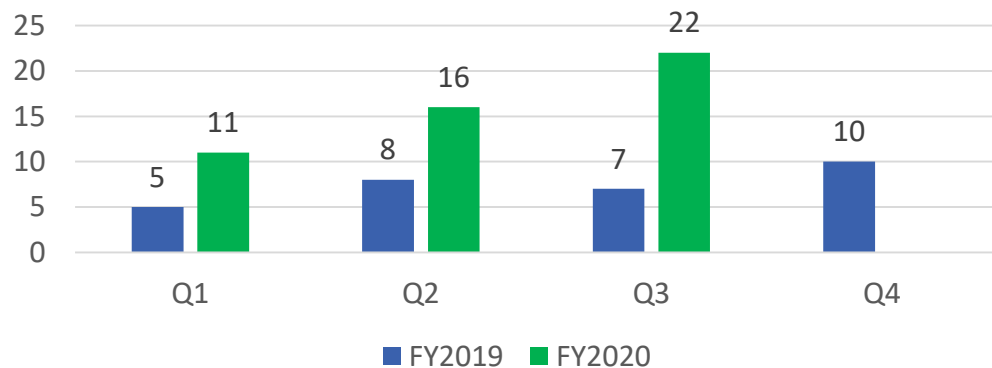
FY20/Q3E \$47.8M



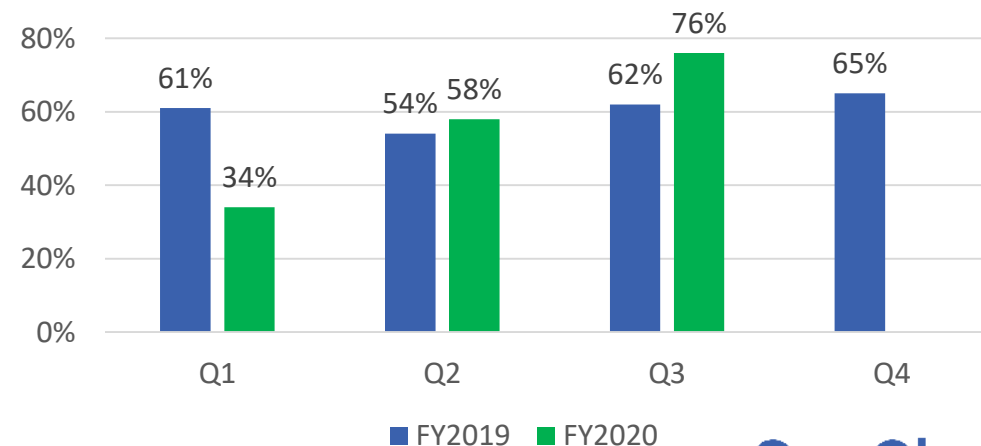
Non-GAAP Operating Income/(Loss)



Improving Backlog



High Confidence Gross Margin Target



Focused on Growth, Profitability & Shareholder Value



Build a Winning Team

- S&M,R&D: Reorg & new team in place
- R&D: G&A: ongoing, to be completed by Q4E



Product Innovation

- Framework launched
- Next: product enhancements and disruptive go-to-market



Customer Support

- Resident SEAC engineer at customer premises
- Production delivery in 90 days



Corporate Efficiency

- Single R&D center
- Restructured and Scalable G&A

	FY19	FY 20 Guidance	Beyond
Revenues	\$62M	\$70-80M	Double Digit Growth
GAAP Gross Margin	60%	60-65%	70%+
Research & Development	31%	18% - 21%	20% - 22%
Sales & Marketing	21%	19% - 21%	20% - 22%
General & Administrative	27%	17% - 20%	10% - 15%
Non-GAAP Operating Margin	-19%	2-8%	10% - 13%