

FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

C-COM Satellite Systems Inc. (the “Company”)

2574 Sheffield Road Ottawa, Ontario, Canada K1B 3V7

Item 2 Date of Material Change

Friday January 10, 2025

Item 3 News Release

News release attached hereto as Schedule “A” was disseminated at 8 a.m. Eastern time on Monday January 13, 2025

Item 4 Summary of Material Change

The Company’s board of directors made a decision to suspend the Company’s quarterly dividend on its common shares.

Item 5 Full Description of Material Change

For a full description of the material change, please refer to the news release attached as Schedule “A”.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Leslie Klein, CEO
613-745-4110

Item 9 Date of Report

January 17, 2025

SCHEDULE “A”

See Attached.

C-COM Announces Suspension of Quarterly Dividends to Prioritize Strategic Investments

January 13, 2025 8:00 AM EST | Source: C-COM Satellite Systems Inc. (/company/5445/CCOM-Satellite-Systems-Inc.)

Ottawa, Ontario--(Newsfile Corp. - January 13, 2025) - C-COM Satellite Systems Inc., (TSXV: CMI) (OTCQB: CYSNF), a leading global provider of commercial grade mobile auto-deploying satellite antenna systems, announced the suspension of its traditional quarterly dividend of \$0.0125 per common share effective immediately as part of its commitment to preserving cash and allocating resources towards critical strategic projects such as its commercialization of its revolutionary Ka-band Electronically Steered Antenna (ESA).

This decision reflects the company's proactive approach to ensuring long-term growth and enhancing shareholder value by focusing on key initiatives that strengthen C-COM's competitive position and future profitability.

"As I have reported in earlier releases, C-COM's R&D team based in Waterloo, Ontario and working with the University of Waterloo's renowned wireless/satellite research team and support labs, has successfully designed, manufactured and tested a breakthrough multi-orbit ESA Ka-band antenna system offering a range of benefits, including full in motion capability on GEO, MEO and LEO constellations.", said Dr. Leslie Klein, President and CEO of C-COM Satellite Systems Inc.

Klein added "The antenna's design is compact, scalable and readily configurable for any number of use cases, making it ideal for mobile applications such as airborne inflight services, military drone applications, maritime vessels and land vehicles. Our plan is to bring a compact 1K element ESA system to market in late 2025, followed by the launch of a more robust 4K ESA in early 2026."

Dr. Klein concluded: "The primary focus of C-COM over the next couple of years is to bring these leading-edge antenna systems to market and make it possible to also fund a few other significant R&D developments which are in the last stages of completion. We already have considerable cash resources to fund these efforts. Our decision to temporarily suspend the dividend was not made lightly, given our long track record of such payments over the past 50 quarters. While I understand the importance of dividends to our shareholders, I believe this step is necessary to maintain financial flexibility and invest in projects that will deliver significant returns over time. This approach aligns with our mission to build a stronger and more resilient company. I regard prioritizing our working capital to bring this advanced technology ESA to market as a testament of how significant the C-COM team believes the impact our ESA's will have in the marketplace."

About C-COM Satellite Systems Inc.



(https://images.newsfilecorp.com/files/5445/236901_6970a2aaf4862bb7_001full.jpg)

To view an enhanced version of this graphic, please visit:

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(https://images.newsfilecorp.com/files/5445/236901_6970a2aaf4862bb7_001full.jpg)

C-COM Satellite Systems Inc. is a pioneer and a leading global designer, developer, and manufacturer of transportable and mobile satellite-based antenna systems. The Company has developed proprietary, auto-acquisition controller technology for rapid antenna pointing to a satellite with just the press of a button, enabling Broadband Internet via Satellite across a wide range of market applications worldwide, including regions unserved or underserved by terrestrial access technologies.

C-COM has sold more than 11,000 antenna systems, in over 100 countries, through a dedicated dealer network that provides service to a wide range of vertical markets such as Oil & Gas Exploration, Military Communications, Disaster Management, SNG, Emergency Communications, Cellular Backhaul, Telemedicine, Mobile Education, Government Services, Mobile Banking, and others. The Company's iNetVu® brand is synonymous with high quality, reliability, and cost-effectiveness.

C-COM is in final stages of satellite testing and manufacturing of a potentially revolutionary Ka-band, electronically steerable, modular, conformal, flat panel phased array antenna. C-COM has developed this unique multi-orbit antenna with the intent of providing low-cost, high-throughput mobility applications over satellite for land, airborne and maritime verticals over LEO, MEO and GEO satellite constellations. Another significant project underway at C-COM is the development of an Analog Beamforming Integrated Circuit, which is progressing well and is expected to enter testing phase by the middle of this year. These BFICs will be used in the manufacturing of all of our ESA antennas with the intent to significantly reduce their cost and improve their performance.

For additional information please visit www.c-comsat.com (<https://api.newsfilecorp.com/redirect/W0a3ghQMRN>)

iNetVu® is a registered trademark of C-COM Satellite Systems Inc.

The Company is publicly traded on the Canadian Venture Exchange (**TSXV: CMI**) and on the US OTC Exchange (**OTCQB: CYSNF**).

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INVESTOR RELATIONS

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

This news release contains forward-looking statements. These statements relate to future events or future performance and reflect management's current expectations and assumptions. Statements about C-COM's expectations for future results, its intention to bring a compact 1K element ESA system to market in late 2025 followed by the launch of a more robust 4K ESA in early 2026, its primary focus over the next couple years and the expectation that investment in R&D will generate returns to the company all contain forward-looking information. Several factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. Product development and launch may be postponed, delayed or, in the worst case, cancelled for many reasons outside C-COM's control, anticipated benefits of the new technology may not be realized, new products and services may not be released or, if released may not gain market acceptance and factors outside of C-COM's control may cause it to focus of its efforts and investments differently than described above. Any of those events and others could

influence future performance and C-COM Satellite Systems Inc.'s ability to achieve the results mentioned above. These forward-looking statements are made as of the date hereof and C-COM Satellite Systems Inc. does not assume any obligation to update or revise them to reflect new events or circumstances. Readers are directed to the risk factors associated with the business of C-COM Satellite Systems in the company's most recent MD&A available at www.sedarplus.ca (<https://api.newsfilecorp.com/redirect/q8vejhnK11>)



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/236901> (<https://api.newsfilecorp.com/redirect/nV3eQcAMvp>)

SOURCE: C-COM Satellite Systems Inc. (/company/5445/CCOM-Satellite-Systems-Inc.)

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