

D Inc.
Operations and Comprehensive Income (Loss)
(per share data)
(audited)

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Revenue:

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Cost of revenue:

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Operating expenses:

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Other (income) expense:

QAD Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	<u>January 31,</u> <u>2020</u>	<u>January 31,</u> <u>2019</u>
Assets		
Current assets:		
Cash and equivalents	\$ 136,717	\$ 139,413
Short-term investments	-	1,200
Accounts receivable, net	80,968	81,577
Other current assets	24,952	22,150
Total current assets	<u>242,637</u>	<u>244,340</u>
Property and equipment, net	28,687	29,621
Lease right-of-use assets, net	18,329	-
Capitalized software costs, net	1,922	1,598
Goodwill	12,388	12,423
Long-term deferred tax assets, net	5,834	16,172
Other assets, net	13,007	13,020
Total assets	<u>\$ 322,804</u>	<u>\$ 317,174</u>
 Liabilities and stockholders' equity		
Current liabilities:		
Current portion of long-term debt	\$ 503	\$ 487
Lease liabilities	4,371	-
Accounts payable and other current liabilities	49,740	50,250
Deferred revenue	118,413	115,253
Total current liabilities	<u>173,027</u>	<u>165,990</u>
Long-term debt	12,341	12,836
Long-term lease liabilities	14,612	-
Other liabilities	6,759	5,101
Stockholders' equity:		
Common stock	21	20
Additional paid-in capital	197,824	196,723
Treasury stock	(3,226)	(7,350)
Accumulated deficit	(70,209)	(48,485)
Accumulated other comprehensive loss	(8,345)	(7,661)
Total stockholders' equity	<u>116,065</u>	<u>133,247</u>
Total liabilities and stockholders' equity	<u>\$ 322,804</u>	<u>\$ 317,174</u>

QAD Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Twelve Months Ended	
	January 31,	
	2020	2019
Net cash provided by operating activities	\$ 16,845	\$ 19,007
Cash flows from investing activities:		
Purchase of property and equipment	(5,669)	(4,336)
Acquisition of businesses, net of cash acquired	-	(2,655)
Purchase of short-term investments	(1,200)	(1,200)
Proceeds from sale of short-term investments	2,400	-
Capitalized software costs	(1,243)	(1,067)
Net cash used in investing activities	<u>(5,712)</u>	<u>(9,258)</u>
Cash flows from financing activities:		
Repayments of debt	(530)	(468)
Tax payments related to stock awards	(6,128)	(8,744)
Cash dividends paid	(5,617)	(5,479)
Net cash used in financing activities	<u>(12,275)</u>	<u>(14,691)</u>
Effect of exchange rates on cash and equivalents	<u>(1,554)</u>	<u>(2,668)</u>
Net decrease in cash and equivalents	(2,696)	(7,610)
Cash and equivalents at beginning of period	139,413	147,023
Cash and equivalents at end of period	<u>\$ 136,717</u>	<u>\$ 139,413</u>

D Inc.
Non-GAAP Financial Measures
(thousands)
(audited)

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Add back:

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Add back:

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Non-GAAP pre-tax income reconciliation

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Add back