

## COMPUTER MODELLING GROUP ANNOUNCES SECOND QUARTER RESULTS

CALGARY, Alberta, November 13, 2019 (GlobeNewswire) – Computer Modelling Group Ltd. (“CMG” or the “Company”) is pleased to announce its financial results for the three and six months ended September 30, 2019

### Quarterly Performance

(\$ thousands, unless otherwise stated)	Fiscal 2018 <sup>(1)</sup>				Fiscal 2019 <sup>(1)</sup>		Fiscal 2020	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Annuity/maintenance licenses	16,158	15,664	14,715	15,111	17,240	16,734	15,756	<b>16,373</b>
Perpetual licenses	743	2,053	326	1,172	611	2,891	1,159	<b>1,146</b>
Software licenses	16,901	17,717	15,041	16,283	17,851	19,625	16,915	<b>17,519</b>
Professional services	1,418	1,677	1,664	1,658	1,222	1,513	1,208	<b>2,354</b>
Total revenue	18,319	19,394	16,705	17,941	19,073	21,138	18,123	<b>19,873</b>
Operating profit	6,908	7,529	5,374	7,024	8,406	8,750	7,068	<b>9,343</b>
Operating profit (%)	38	39	32	39	44	41	39	<b>47</b>
Profit before income and other taxes	7,151	8,547	5,980	7,104	9,406	8,400	6,439	<b>9,350</b>
Income and other taxes	2,054	2,401	1,722	2,048	2,559	2,426	1,997	<b>2,482</b>
Net income for the period	5,097	6,146	4,258	5,056	6,847	5,974	4,442	<b>6,868</b>
EBITDA <sup>(2)</sup>	7,400	8,090	5,837	7,505	8,915	9,250	8,118	<b>10,426</b>
Cash dividends declared and paid	8,022	8,021	8,021	8,024	8,022	8,023	8,022	<b>8,026</b>
Funds flow from operations	6,225	7,285	5,242	5,777	7,550	7,024	6,097	<b>7,787</b>
Free cash flow <sup>(2)</sup>	5,595	6,904	4,909	5,697	7,297	6,948	5,707	<b>7,274</b>
Per share amounts - (\$/share)								
Earnings per share - basic	0.06	0.08	0.05	0.06	0.09	0.07	0.06	<b>0.09</b>
Earnings per share - diluted	0.06	0.08	0.05	0.06	0.09	0.07	0.06	<b>0.09</b>
Cash dividends declared and paid	0.10	0.10	0.10	0.10	0.10	0.10	0.10	<b>0.10</b>
Funds flow from operations per share - basic	0.08	0.09	0.07	0.07	0.09	0.09	0.08	<b>0.10</b>
Free cash flow per share - basic <sup>(2)</sup>	0.07	0.09	0.06	0.07	0.09	0.09	0.07	<b>0.09</b>

(1) On April 1, 2019, the Company adopted IFRS 16 *Leases* using the modified retrospective approach, by adjusting opening retained earnings with no restatement of comparative figures. As such, comparative information continues to be reported under the previous lease standard.

(2) Non-IFRS financial measures are defined in the “Non-IFRS Financial Measures” section.

## Highlights

### During the three months

ended September 30, 2019, compared to the same period of the previous fiscal year:

- Annuity/maintenance license revenue increased by 8%;
- Total software license revenue increased by 8%;
- Net income increased by 36% (without the negative impact of IFRS 16 adoption, net income increased by 38%);
- EBITDA increased by 39% (without the positive impact of IFRS 16 adoption, EBITDA increased by 26%).

### During the six months

- Annuity/maintenance license revenue increased by 8%;
- Total software license revenue increased by 10%;
- Net income increased by 21% (without the negative impact of IFRS 16 adoption, net income increased by 25%);
- EBITDA increased by 39% (without the positive impact of IFRS 16 adoption, EBITDA increased by 25%).

### During the three months

ended September 30, 2019, CMG:

- Realized basic EPS of \$0.09;
- Achieved free cash flow per share of \$0.09;
- Declared and paid a dividend of \$0.10 per share.

### During the six months

ended September 30, 2019, CMG:

- Realized basic EPS of \$0.14;
- Achieved free cash flow per share of \$0.16;
- Declared and paid dividends of \$0.20 per share.

## Revenue

Three months ended September 30, (\$ thousands)	2019	2018	\$ change	% change
Software license revenue	17,519	16,283	1,236	8%
Professional services	2,354	1,658	696	42%
<b>Total revenue</b>	<b>19,873</b>	<b>17,941</b>	<b>1,932</b>	<b>11%</b>
Software license revenue as a % of total revenue	88%	91%		
Professional services as a % of total revenue	12%	9%		

  

Six months ended September 30, (\$ thousands)	2019	2018	\$ change	% change
Software license revenue	34,434	31,324	3,110	10%
Professional services	3,562	3,322	240	7%
<b>Total revenue</b>	<b>37,996</b>	<b>34,646</b>	<b>3,350</b>	<b>10%</b>
Software license revenue as a % of total revenue	91%	90%		
Professional services as a % of total revenue	9%	10%		

CMG's revenue is comprised of software license sales, which provide the majority of the Company's revenue, and fees for professional services.

Total revenue for the three and six months ended September 30, 2019 increased by 11% and 10%, respectively, compared to the same periods of the previous fiscal year, due to increases in both software license revenue and professional services revenue.

## Software License Revenue

Three months ended September 30, (\$ thousands)	2019	2018	\$ change	% change
Annuity/maintenance license revenue	16,373	15,111	1,262	8%
Perpetual license revenue	1,146	1,172	(26)	-2%
<b>Total software license revenue</b>	<b>17,519</b>	<b>16,283</b>	<b>1,236</b>	<b>8%</b>
Annuity/maintenance as a % of total software license revenue	93%	93%		
Perpetual as a % of total software license revenue	7%	7%		

  

Six months ended September 30, (\$ thousands)	2019	2018	\$ change	% change
Annuity/maintenance license revenue	32,129	29,826	2,303	8%
Perpetual license revenue	2,305	1,498	807	54%
<b>Total software license revenue</b>	<b>34,434</b>	<b>31,324</b>	<b>3,110</b>	<b>10%</b>
Annuity/maintenance as a % of total software license revenue	93%	95%		
Perpetual as a % of total software license revenue	7%	5%		

Total software license revenue for the three months ended September 30, 2019 increased by 8% compared to the same period of the previous fiscal year, due to an increase in annuity/maintenance license revenue.

Total software license revenue for the six months ended September 30, 2019 increased by 10% compared to the same period of the previous fiscal year, due to increases in both annuity/maintenance license revenue and perpetual license revenue.

CMG's annuity/maintenance license revenue increased by 8% during the three and six months ended September 30, 2019, compared to the same periods of the previous fiscal year, due to increased licensing by existing and new customers. In addition, the movement in the CAD/USD exchange rate had a positive impact on annuity/maintenance license revenue in the current quarter and year to date.

Perpetual license revenue for the three months ended September was comparable to the same period of the previous fiscal year, as increased perpetual sales in the Eastern Hemisphere were offset by decreases in Canada and the United States. Perpetual license revenue increased by 54% during the six months ended September 30, 2019 because most regions, excluding Canada, had higher perpetual license sales than in the comparative period.

## Software Revenue by Geographic Segment

Three months ended September 30, (\$ thousands)	2019	2018	\$ change	% change
<b>Annuity/maintenance license revenue</b>				
Canada	3,927	3,792	135	4%
United States	5,050	4,626	424	9%
South America	1,971	1,732	239	14%
Eastern Hemisphere <sup>(1)</sup>	5,425	4,961	464	9%
	<b>16,373</b>	<b>15,111</b>	<b>1,262</b>	<b>8%</b>
<b>Perpetual license revenue</b>				
Canada	-	156	(156)	-100%
United States	-	152	(152)	-100%
South America	-	-	-	0%
Eastern Hemisphere	1,146	864	282	33%
	<b>1,146</b>	<b>1,172</b>	<b>(26)</b>	<b>-2%</b>
<b>Total software license revenue</b>				
Canada	3,927	3,948	(21)	-1%
United States	5,050	4,778	272	6%
South America	1,971	1,732	239	14%
Eastern Hemisphere	6,571	5,825	746	13%
	<b>17,519</b>	<b>16,283</b>	<b>1,236</b>	<b>8%</b>
<b>Six months ended September 30, (\$ thousands)</b>				
	<b>2019</b>	<b>2018</b>	<b>\$ change</b>	<b>% change</b>
<b>Annuity/maintenance license revenue</b>				
Canada	7,703	7,659	44	1%
United States	9,984	9,179	805	9%
South America	3,916	3,413	503	15%
Eastern Hemisphere <sup>(1)</sup>	10,526	9,575	951	10%
	<b>32,129</b>	<b>29,826</b>	<b>2,303</b>	<b>8%</b>
<b>Perpetual license revenue</b>				
Canada	-	156	(156)	-100%
United States	298	152	146	96%
South America	769	-	769	100%
Eastern Hemisphere	1,238	1,190	48	4%
	<b>2,305</b>	<b>1,498</b>	<b>807</b>	<b>54%</b>
<b>Total software license revenue</b>				
Canada	7,703	7,815	(112)	-1%
United States	10,282	9,331	951	10%
South America	4,685	3,413	1,272	37%
Eastern Hemisphere	11,764	10,765	999	9%
	<b>34,434</b>	<b>31,324</b>	<b>3,110</b>	<b>10%</b>

(1) Includes Europe, Africa, Asia and Australia.

During the three and six months ended September 30, 2019, total software license revenue increased in all regions (with the exception of Canada, where we experienced a small 1% decrease), compared to the same periods of the previous fiscal year.

The Canadian region (representing 22% of year-to-date software license revenue) experienced increases of 4% and 1% in annuity/maintenance license revenue during the three and six months ended September 30, 2019, respectively, compared to the same periods of the previous fiscal year, due to an increase in licensing by existing customers. No perpetual sales were realized in Canada during the three and six months ended September 30, 2019.

The United States (representing 30% of year-to-date software license revenue) experienced a 9% increase in annuity/maintenance license revenue during the three and six months ended September 30, 2019, compared to the same periods of the previous fiscal year, due to increased licensing by both existing and new customers. A small portion of the year-to-date increase was due to increased usage of our cloud-based offerings, as the number of customers who access our software via the cloud has been growing since it was introduced at the beginning of fiscal 2019. There were no perpetual sales in the United States during the current three-month period, and perpetual sales during the current six-month period were higher than in the comparative period.

South America (representing 14% of year-to-date software license revenue) experienced increases of 14% and 15% in annuity/maintenance license revenue during the three and six months ended September 30, 2019, respectively, compared to the same periods of the previous fiscal year, mainly due to increased licensing by existing customers. Perpetual license revenue in South America was higher in the current year-to-date period than in the comparative period as a result of sales made in the first quarter of fiscal 2020.

The Eastern Hemisphere (representing 34% of year-to-date software license revenue) experienced increases of 9% and 10% in annuity/maintenance license revenue during the three and six months ended September 30, 2019, respectively, compared to the same periods of the previous fiscal year, due to a combination of increased licensing by existing customers and the addition of new customers. Perpetual license revenue increased by 33% and 4% during the three and six months ended September 30, 2019, respectively, as a result of higher perpetual sales in Asia in the current quarter.

## Deferred Revenue

(\$ thousands)	Fiscal 2020	Fiscal 2019	Fiscal 2018	\$ change	% change
Deferred revenue at:					
Q1 (June 30)	<b>29,266</b>	29,350 <sup>(2)</sup>		(84)	0%
Q2 (September 30)	<b>23,849</b>	23,222 <sup>(3)</sup>		627	3%
Q3 (December 31)		13,782	17,785	(4,003)	-23%
Q4 (March 31)		35,015 <sup>(4)</sup>	34,362 <sup>(1)</sup>	653	2%

(1) Includes current deferred revenue of \$33.4 million and long-term deferred revenue of \$1.0 million.

(2) Includes current deferred revenue of \$28.8 million and long-term deferred revenue of \$0.6 million.

(3) Includes current deferred revenue of \$22.9 million and long-term deferred revenue of \$0.3 million.

(4) Includes current deferred revenue of \$34.7 million and long-term deferred revenue of \$0.3 million.

CMG's deferred revenue consists primarily of amounts for pre-sold licenses. With the exception of certain term-based software licenses that are recognized at the start of the license period, our annuity/maintenance revenue is deferred and recognized ratably over the license period, which is generally one year or less. Amounts are deferred for licenses that have been provided and revenue recognition reflects the passage of time.

The above table illustrates the normal trend in the deferred revenue balance from the beginning of the calendar year (which corresponds with Q4 of our fiscal year), when most renewals occur, to the end of the calendar year (which corresponds with Q3 of our fiscal year). Our fourth quarter corresponds with the beginning of the fiscal year for most oil and gas companies, representing a time when they enter a new budget year and sign/renew their contracts.

Deferred revenue as at the end of Q2 of fiscal 2020 increased by 3% compared to Q2 of fiscal 2019 due to a combination of factors, not including the timing of license renewals.

## Expenses

Three months ended September 30, (\$ thousands, except per share data)	Previous lease standard 2019	IFRS 16 impact	IFRS 16 2019	2018	\$ change	% change
Sales, marketing and professional services	4,421	(67)	<b>4,354</b>	4,378	(24)	-1%
Research and development	4,768	(229)	<b>4,539</b>	4,862	(323)	-7%
General and administrative	1,692	(55)	<b>1,637</b>	1,677	(40)	-2%
<b>Total operating expenses</b>	<b>10,881</b>	<b>(351)</b>	<b>10,530</b>	10,917	(387)	-4%
Direct employee costs <sup>(1)</sup>	7,886	-	<b>7,886</b>	7,802	84	1%
Other corporate costs	2,995	(351)	<b>2,644</b>	3,115	(471)	-15%
	<b>10,881</b>	<b>(351)</b>	<b>10,530</b>	10,917	(387)	-4%

Six months ended September 30, (\$ thousands, except per share data)	Previous lease standard 2019	IFRS 16 impact	IFRS 16 2019	2018	\$ change	% change
Sales, marketing and professional services	9,117	(133)	<b>8,984</b>	9,365	(381)	-4%
Research and development	9,748	(458)	<b>9,290</b>	9,637	(347)	-4%
General and administrative	3,421	(110)	<b>3,311</b>	3,246	65	2%
<b>Total operating expenses</b>	<b>22,286</b>	<b>(701)</b>	<b>21,585</b>	22,248	(663)	-3%
Direct employee costs <sup>(1)</sup>	16,550	-	<b>16,550</b>	16,517	33	0%
Other corporate costs	5,736	(701)	<b>5,035</b>	5,731	(696)	-12%
	<b>22,286</b>	<b>(701)</b>	<b>21,585</b>	22,248	(663)	-3%

(1) Includes salaries, bonuses, stock-based compensation, benefits, commissions, and professional development. See "Non-IFRS Financial Measures".

Prior to applying IFRS 16, total operating expenses for the three and six months ended September 30, 2019 remained consistent with the same periods of the previous fiscal year.

The application of IFRS 16 decreased total operating expenses by \$0.4 million in the three-month period and by \$0.7 million in the six-month period ended September 30. This net decrease is a combination of lower rent expense (because under IFRS 16 rent payments are classified as finance costs and repayment of lease liability), partially offset by higher depreciation expense on the recognition of right-of-use assets.

## Outlook

During the second quarter and year to date, our annuity and maintenance revenue increased by 8% compared to the same periods of the previous fiscal year, with all regions experiencing growth.

The US region increased by 9% in the second quarter and year to date, supported by increased licensing by both existing and new customers. Canada experienced its first quarter-over-quarter increase since fiscal 2015. While we view this as an indication of an improving operating environment in Canada compared to previous years, we continue to monitor consolidation activity in the industry and any impact it might have on our contract renewals in the latter part of the year. South America achieved double-digit growth for the second quarter in a row, resulting in a 15% year-to-date increase. The Eastern Hemisphere grew by 9% in the second quarter and 10% year to date. The growth in both of these regions was due to increased licensing by existing customers, as well as the addition of new customers. The strengthening of the US dollar relative to the Canadian dollar had a positive impact on revenue in these international regions.

While quarterly perpetual license revenue was comparable to the second quarter of the previous fiscal year, the year-to-date perpetual license revenue was up by 54% compared to the same period of the previous fiscal year, due to higher perpetual sales realized in the first quarter of fiscal 2020.

In July, CMG and Shell signed an amendment to our CoFlow development agreement. In order to achieve specific development targets and deployments across a broader range of Shell's assets, CMG will allocate more resources to CoFlow over the next two years, while Shell will increase its financial contribution accordingly. Pursuant to this amendment, during the three months ended September 30, 2019, CMG recorded higher professional services revenue for additional resources allocated to CoFlow development and support in the current and previous quarters. To date, CMG has added and/or internally reallocated 11 full-time equivalent positions (out of the 26 allowed by the amendment) to CoFlow development and support.

On April 1, 2019, CMG adopted IFRS 16 *Leases*. The new standard essentially moved most of the Company's office leases to the balance sheet, eliminating rent expense and replacing it with interest expense and repayment of lease liability, as well as depreciation of the right-of-use assets. The adoption of IFRS 16 resulted in a decrease to total operating expenses and an increase to finance costs, for a total negative impact of \$0.1 million and \$0.3 million on the Company's quarterly and year-to-date net income.

Despite the negative impact of the IFRS 16 adoption, the Company's quarterly and year-to-date net income increased by 36% and 21%, respectively (38% and 25% without the IFRS 16 impact), because of the solid revenue achievement. Without considering the IFRS 16 impact, our costs remained consistent on a quarter-over-quarter and year-over-year basis.

Similarly, our quarterly and year-to-date EBITDA increased to 52% and 49% of revenue, respectively (without the positive impact of applying IFRS 16, EBITDA increased to 48% and 44% of revenue, respectively).

We continue pursuing our goal of increasing software license sales, particularly internationally, with the support of various R&D initiatives (such as our public cloud offering, CoFlow development, product feature and functionality enhancements), while exercising fiscal prudence.

We ended the second quarter of 2020 with a strong balance sheet, no borrowings and \$47.1 million in cash. During the quarter, we achieved free cash flow of \$0.09 per share. Subsequent to quarter end, CMG's Board of Directors declared a quarterly dividend of \$0.10 per share.

## Additional IFRS Measure

Funds flow from operations is an additional IFRS measure that the Company presents in its consolidated statements of cash flows. Funds flow from operations is calculated as cash flows provided by operating activities adjusted for changes in non-cash working capital. Management believes that this measure provides useful supplemental information about operating performance and liquidity, as it represents cash generated during the period, regardless of the timing of collection of receivables and payment of payables, which may reduce comparability between periods.

## Non-IFRS Financial Measures

Certain financial measures in this press release – namely, direct employee costs, other corporate costs, EBITDA and free cash flow – do not have a standard meaning prescribed by IFRS and, accordingly, may not be comparable to measures used by other companies. Management believes that these indicators nevertheless provide useful measures in evaluating the Company's performance.

Direct employee costs include salaries, bonuses, stock-based compensation, benefits, commission expenses, and professional development. Other corporate costs include facility-related expenses, corporate reporting, professional services, marketing and promotion, computer expenses, travel, and other office-related expenses. Direct employee costs and other corporate costs should not be considered an alternative to total operating expenses as determined in accordance with IFRS. People-related costs represent the Company's largest area of expenditure; hence, management considers highlighting separately corporate and people-related costs to be important in evaluating the quantitative impact of cost management of

these two major expenditure pools. See "Expenses" heading for a reconciliation of direct employee costs and other corporate costs to total operating expenses.

EBITDA refers to net income before adjusting for depreciation expense, finance income, finance costs, and income and other taxes. EBITDA should not be construed as an alternative to net income as determined by IFRS. The Company believes that EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to consideration of how those activities are amortized, financed or taxed.

Free cash flow is a non-IFRS financial measure that is calculated as funds flow from operations less capital expenditures and repayment of lease liabilities. Management uses free cash flow to help measure the capacity of the Company to pay dividends and invest in business growth opportunities.

## Forward-looking Information

Certain information included in this press release is forward-looking. Forward-looking information includes statements that are not statements of historical fact and which address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as investment objectives and strategy, the development plans and status of the Company's software development projects, the Company's intentions, results of operations, levels of activity, future capital and other expenditures (including the amount, nature and sources of funding thereof), business prospects and opportunities, research and development timetable, and future growth and performance. When used in this press release, statements to the effect that the Company or its management "believes", "expects", "expected", "plans", "may", "will", "projects", "anticipates", "estimates", "would", "could", "should", "endeavours", "seeks", "predicts" or "intends" or similar statements, including "potential", "opportunity", "target" or other variations thereof that are not statements of historical fact should be construed as forward-looking information. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management of the Company. The Company believes that the expectations reflected in such forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

## Corporate Profile

CMG is a computer software technology company serving the oil and gas industry. The Company is a leading supplier of advanced process reservoir modelling software with a blue chip customer base of international oil companies and technology centers in approximately 60 countries. The Company also provides professional services consisting of highly specialized support, consulting, training, and contract research activities. CMG has sales and technical support services based in Calgary, Houston, London, Dubai, Bogota and Kuala Lumpur. CMG's Common Shares are listed on the Toronto Stock Exchange ("TSX") and trade under the symbol "CMG".



## Condensed Consolidated Statements of Financial Position

UNAUDITED (thousands of Canadian \$)	September 30, 2019	March 31, 2019*
<b>Assets</b>		
Current assets:		
Cash	47,050	54,290
Trade and other receivables	10,353	19,220
Prepaid expenses	1,320	1,332
Prepaid income taxes	352	367
	59,075	75,209
Property and equipment	13,891	14,501
Right-of-use assets	38,950	-
Deferred tax asset	1,080	595
<b>Total assets</b>	<b>112,996</b>	<b>90,305</b>
<b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Trade payables and accrued liabilities	4,333	6,162
Income taxes payable	-	60
Deferred revenue	23,849	34,653
Lease liability	1,290	-
	29,472	40,875
Deferred revenue	-	362
Lease liability	41,605	-
Deferred rent liability	-	1,813
<b>Total liabilities</b>	<b>71,077</b>	<b>43,050</b>
Shareholders' equity:		
Share capital	79,851	79,711
Contributed surplus	13,209	12,808
Deficit	(51,141)	(45,264)
<b>Total shareholders' equity</b>	<b>41,919</b>	<b>47,255</b>
<b>Total liabilities and shareholders' equity</b>	<b>112,996</b>	<b>90,305</b>

# Condensed Consolidated Statements of Operations and Comprehensive Income

	Three months ended September 30		Six months ended September 30	
	2019	2018*	2019	2018*
UNAUDITED (thousands of Canadian \$ except per share amounts)				
<b>Revenue</b>	<b>19,873</b>	17,941	<b>37,996</b>	34,646
<b>Operating expenses</b>				
Sales, marketing and professional services	4,354	4,378	8,984	9,365
Research and development	4,539	4,862	9,290	9,637
General and administrative	1,637	1,677	3,311	3,246
	<b>10,530</b>	10,917	<b>21,585</b>	22,248
<b>Operating profit</b>	<b>9,343</b>	7,024	<b>16,411</b>	12,398
Finance income	541	312	644	686
Finance costs	(534)	(232)	(1,266)	-
<b>Profit before income and other taxes</b>	<b>9,350</b>	7,104	<b>15,789</b>	13,084
Income and other taxes	2,482	2,048	4,479	3,770
<b>Net and total comprehensive income</b>	<b>6,868</b>	5,056	<b>11,310</b>	9,314
<b>Earnings Per Share</b>				
Basic	0.09	0.06	0.14	0.12
Diluted	0.09	0.06	0.14	0.12

# Condensed Consolidated Statements of Cash Flows

UNAUDITED (thousands of Canadian \$)	Three months ended September 30		Six months ended September 30	
	2019	2018*	2019	2018*
<b>Operating activities</b>				
Net income	6,868	5,056	11,310	9,314
Adjustments for:				
Depreciation	1,083	481	2,133	944
Deferred income tax expense (recovery)	58	163	(102)	(183)
Stock-based compensation	(222)	(29)	543	732
Deferred rent	-	106	-	212
Funds flow from operations	7,787	5,777	13,884	11,019
Movement in non-cash working capital:				
Trade and other receivables	2,297	415	8,867	6,181
Trade payables and accrued liabilities	(5)	577	(1,739)	(1,193)
Prepaid expenses	(140)	13	(90)	141
Income taxes payable	314	(377)	(45)	(700)
Deferred revenue	(5,417)	(6,128)	(11,166)	(10,455)
Increase in non-cash working capital	(2,951)	(5,500)	(4,173)	(6,026)
<b>Net cash provided by operating activities</b>	<b>4,836</b>	<b>277</b>	<b>9,711</b>	<b>4,993</b>
<b>Financing activities</b>				
Proceeds from the issue of common shares	-	17	-	17
Repayment of lease liability	(278)	-	(560)	-
Dividends paid	(8,026)	(8,024)	(16,048)	(16,045)
<b>Net cash used in financing activities</b>	<b>(8,304)</b>	<b>(8,007)</b>	<b>(16,608)</b>	<b>(16,028)</b>
<b>Investing activities</b>				
Property and equipment additions	(235)	(80)	(343)	(413)
<b>Decrease in cash</b>	<b>(3,703)</b>	<b>(7,810)</b>	<b>(7,240)</b>	<b>(11,448)</b>
Cash, beginning of period	50,753	60,081	54,290	63,719
<b>Cash, end of period</b>	<b>47,050</b>	<b>52,271</b>	<b>47,050</b>	<b>52,271</b>
<b>Supplementary cash flow information</b>				
Interest received	321	324	654	626
Interest paid	534	-	1,068	-
Income taxes paid	(1,986)	(1,885)	(4,060)	(3,866)

\* The Company adopted IFRS 16 Leases effective April 1, 2019 using the modified retrospective approach. Under this method, comparative information is not restated.

See accompanying notes to condensed consolidated interim financial statements.

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