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COMPUTER MODELLING GROUP ANNOUNCES THIRD QUARTER RESULTS

CALGARY, Alberta, February 10, 2022 (GlobeNewswire) – Computer Modelling Group Ltd. ("CMG" or the "Company") announces its financial results for the three and nine months ended December 31, 2021.

Quarterly Performance

	Fiscal 2020		Fiscal 2021				**Fiscal 2022**	
($ thousands, unless otherwise stated)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	**Q3**
Annuity/maintenance license revenue	15,233	14,523	14,144	13,477	13,790	12,286	13,239	**13,575**
Perpetual license revenue	1,403	-	1,775	660	1,184	125	846	**1,497**
Software license revenue	16,636	14,523	15,919	14,137	14,974	12,411	14,085	**15,072**
Professional services	1,879	2,149	1,933	1,901	1,827	2,003	1,864	**1,973**
Total revenue	18,515	16,672	17,852	16,038	16,801	14,414	15,949	**17,045**
Operating profit	7,802	5,711	9,861	8,437	6,556	5,573	5,440	**7,755**
Operating profit (%)	42	34	55	53	39	39	34	**45**
Profit before income and other taxes	9,613	4,405	9,360	7,410	5,747	4,827	5,321	**7,310**
Income and other taxes	2,550	1,143	2,600	1,535	1,454	1,094	1,175	**1,736**
Net income for the period	7,063	3,262	6,760	5,875	4,293	3,733	4,146	**5,574**
EBITDA(1)	8,923	6,767	10,933	9,509	7,627	6,596	6,473	**8,843**
Cash dividends declared and paid	8,024	4,013	4,013	4,015	4,014	4,015	4,016	**4,017**
Funds flow from operations	7,515	4,703	7,991	7,322	6,267	4,811	4,904	**7,022**
Free cash flow(1)	6,840	4,239	7,474	7,005	5,755	4,478	4,494	**6,227**
Per share amounts – ($/share)								
Earnings per share (EPS) – basic and diluted	0.09	0.04	0.08	0.07	0.05	0.05	0.05	**0.07**
Cash dividends declared and paid	0.10	0.05	0.05	0.05	0.05	0.05	0.05	**0.05**
Funds flow from operations per share – basic	0.09	0.06	0.10	0.09	0.08	0.06	0.06	**0.09**
Free cash flow per share – basic(1)	0.09	0.05	0.09	0.09	0.07	0.06	0.06	**0.08**

(1) This is a non-IFRS financial measure. Refer to the "Non-IFRS Financial Measures" section.

Commentary on Quarterly Performance

For the Three Months Ended / ***For the Nine Months Ended***

December 31, 2021 and compared to the same period of the previous fiscal year, when appropriate:

For the Three Months Ended:

- Annuity/maintenance license revenue increased by 1%;
- Perpetual license revenue increased by $0.8 million, or 127%;
- Total revenue increased by 6%;
- Total operating expenses increased by 22%. Adjusted for CEWS and CERS benefits, operating expenses increased by 4%;

For the Nine Months Ended:

- Annuity/maintenance license revenue decreased by 7%;
- Perpetual license revenue remained flat;
- Total revenue decreased by 6%;
- Total operating expenses increased by 8%. Adjusted for CEWS and CERS benefits and a one-time restructuring charge, operating expenses decreased by 7%, due to lower stock-based compensation expense, salary reductions and lower headcount;

- Quarterly operating profit margin was 45%, down from the comparative quarter's figure of 53%. Adjusted for CEWS and CERS benefits, operating profit margin was 43% and 42%, respectively, in line with the pre-COVID average for fiscal 2019 and fiscal 2020 of 40%;
- Basic EPS of $0.07 was consistent with the comparative quarter;
- Achieved free cash flow per share of $0.08;
- Declared and paid a dividend of $0.05 per share.

- Year-to-date operating profit margin was 40%, down from the comparative period's figure of 47%. Adjusted for CEWS and CERS benefits and the one-time restructuring charge, operating profit was 40% and 39%, respectively;
- Basic EPS of $0.17 was lower than the comparative period's EPS of $0.20;
- Achieved free cash flow per share of $0.19;
- Declared and paid dividends of $0.15 per share.

Revenue

Three months ended December 31, ($ thousands)	**2021**	2020	$ change	% change
Software license revenue	**15,072**	14,137	935	7%
Professional services	**1,973**	1,901	72	4%
Total revenue	**17,045**	16,038	1,007	6%
Software license revenue as a % of total revenue	**88%**	88%		
Professional services as a % of total revenue	**12%**	12%		

Nine months ended December 31, ($ thousands)	**2021**	2020	$ change	% change
Software license revenue	**41,568**	44,579	(3,011)	-7%
Professional services	**5,840**	5,983	(143)	-2%
Total revenue	**47,408**	50,562	(3,154)	-6%
Software license revenue as a % of total revenue	**88%**	88%		
Professional services as a % of total revenue	**12%**	12%		

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

Total revenue for the three months ended December 31, 2021 increased by 6%, due to increases in both software license revenue and professional services revenue. Total revenue for the nine months ended December 31, 2021 decreased by 6%, due to decreases in both software license revenue and professional services revenue.

Software License Revenue

Three months ended December 31, ($ thousands)	**2021**	2020	$ change	% change
Annuity/maintenance license revenue	**13,575**	13,477	98	1%
Perpetual license revenue	**1,497**	660	837	127%
Total software license revenue	**15,072**	14,137	935	7%
Annuity/maintenance as a % of total software license revenue	**90%**	95%		
Perpetual as a % of total software license revenue	**10%**	5%		

Nine months ended December 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue	**39,100**	42,144	(3,044)	-7%
Perpetual license revenue	**2,468**	2,435	33	1%
Total software license revenue	**41,568**	44,579	(3,011)	-7%
Annuity/maintenance as a % of total software license revenue	**94%**	95%		
Perpetual as a % of total software license revenue	**6%**	5%		

Total software license revenue for the three months ended December 31, 2021 increased by 7%, compared to the same period of the previous fiscal year, primarily due to higher perpetual license revenue. Total software license revenue for the nine months ended December 31, 2021 decreased by 7%, compared to the same period of the previous fiscal year, due to a decrease in annuity/maintenance license revenue.

During the three months ended December 31, 2021, CMG's annuity/maintenance license revenue remained consistent with same period of the previous fiscal year, increasing by 1%. Increases in Canada and South America were almost offset by decreases in the US and the Eastern Hemisphere. During the nine months ended December 31, 2021, CMG's annuity/maintenance license revenue decreased by 7%, as decreases in the US and the Eastern Hemisphere were partially offset by an increase in South America, which was primarily due to a multi-year agreement that includes CoFlow annuity licensing.

Perpetual license revenue increased by 127% and 1% during the three and nine months ended December 31, 2021, respectively, compared to the same periods of the previous fiscal year.

Software Revenue by Geographic Region

Three months ended December 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue				
Canada	**3,303**	3,097	206	7%
United States	**3,429**	3,649	(220)	-6%
South America	**1,884**	1,320	564	43%
Eastern Hemisphere[1]	**4,959**	5,411	(452)	-8%
	13,575	13,477	98	1%
Perpetual license revenue				
Canada	**-**	-	-	-
United States	**180**	-	180	100%
South America	**-**	41	(41)	-100%
Eastern Hemisphere	**1,317**	619	698	113%
	1,497	660	837	127%
Total software license revenue				
Canada	**3,303**	3,097	206	7%
United States	**3,609**	3,649	(40)	-1%
South America	**1,884**	1,361	523	38%
Eastern Hemisphere	**6,276**	6,030	246	4%
	15,072	14,137	935	7%

Nine months ended December 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue				
Canada	**9,425**	9,452	(27)	0%
United States	**9,502**	11,533	(2,031)	-18%
South America	**5,195**	4,412	783	18%
Eastern Hemisphere[(1)]	**14,978**	16,747	(1,769)	-11%
	39,100	42,144	(3,044)	-7%
Perpetual license revenue				
Canada	**-**	-	-	-
United States	**401**	-	401	100%
South America	**-**	1,020	(1,020)	-100%
Eastern Hemisphere	**2,067**	1,415	652	46%
	2,468	2,435	33	1%
Total software license revenue				
Canada	**9,425**	9,452	(27)	0%
United States	**9,903**	11,533	(1,630)	-14%
South America	**5,195**	5,432	(237)	-4%
Eastern Hemisphere	**17,045**	18,162	(1,117)	-6%
	41,568	44,579	(3,011)	-7%

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

During the three months ended December 31, 2021, compared to the same period of the previous fiscal year, total software license revenue increased in all geographic regions, with the exception of United States, which experienced a slight 1% decrease. During the nine months ended December 31, 2021, total software licensing revenue decreased in all geographic regions, except for Canada, which stayed flat.

The Canadian region (representing 23% of year-to-date total software license revenue) experienced a 7% increase in annuity/maintenance license revenue during the three months ended December 31, 2021, due to a returning customer and increased licensing by some existing customers. Annuity/maintenance license revenue remained flat during the nine months ended December 31, 2021.

The United States (representing 24% of year-to-date total software license revenue) experienced decreases of 6% and 18% in annuity/maintenance license revenue during the three and nine months ended December 31, 2021, compared to the same periods of the previous fiscal year. The decreases were largely due to the same factors that affected the region’s revenue in the previous fiscal year: consolidation in the industry and reduced licensing due to ongoing challenges experienced by US unconventional shale plays. Perpetual license revenue was up, as there were no perpetual sales in the comparative periods.

South America (representing 12% of year-to-date total software license revenue) experienced increases of 43% and 18% in annuity/maintenance license revenue during the three and nine months ended December 31, 2021, compared to the same periods of the previous fiscal year, primarily due to a new multi-year lease that includes CoFlow. There were no perpetual sales in South America in the current period and year to date.

The Eastern Hemisphere (representing 41% of year-to-date total software license revenue) experienced decreases of 8% and 11% in annuity/maintenance license revenue during the three and nine months ended December 31, 2021, mainly due to reduced licensing by some customers. Perpetual revenue during the three and nine months ended December 31, 2021 increased by 113% and 46%, respectively, as a result of perpetual sales realized in Asia and Europe.

Deferred Revenue

($ thousands)	Fiscal 2022	Fiscal 2021	Fiscal 2020	$ change	% change
Deferred revenue at:					
Q1 (June 30)	**23,451**	25,492		(2,041)	-8%
Q2 (September 30)	**21,242**	19,549		1,693	9%
Q3 (December 31)	**23,056**	15,347		7,709	50%
Q4 (March 31)		30,461	33,838	(3,377)	-10%

CMG's deferred revenue consists primarily of amounts for prepaid licenses. 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.

The deferred revenue balance at the end of Q3 of fiscal 2022 increased by 50% compared to Q3 of fiscal 2021, mainly due to the positive effect of early renewals.

Expenses

Three months ended December 31, ($ thousands)	2021	2020	$ change	% change
Sales, marketing and professional services	**3,810**	3,335	475	14%
Research and development	**3,926**	3,092	834	27%
General and administrative	**1,554**	1,174	380	32%
Total operating expenses	**9,290**	7,601	1,689	22%
Direct employee costs(1)	**7,054**	5,590	1,464	26%
Other corporate costs(1)	**2,236**	2,011	225	11%
	9,290	7,601	1,689	22%

Nine months ended December 31, ($ thousands)	2021	2020	$ change	% change
Sales, marketing and professional services	**11,062**	11,209	(147)	-1%
Research and development	**12,599**	11,158	1,441	13%
General and administrative	**4,979**	4,186	793	19%
Total operating expenses	**28,640**	26,553	2,087	8%
Direct employee costs(1)	**22,703**	20,257	2,446	12%
Other corporate costs(1)	**5,937**	6,296	(359)	-6%
	28,640	26,553	2,087	8%

(1) This is a non-IFRS financial measure. Refer to the "Non-IFRS Financial Measures" section.

Adjusted total operating expenses, adjusted direct employee costs and adjusted other corporate costs are non-IFRS financial measures. They do not have a standard meaning prescribed by IFRS and, accordingly, may not be comparable to measures used by other companies. They are calculated by excluding CEWS subsidies, CERS subsidies and restructuring charges, as applicable, from the related non-adjusted measures. Management believes that analyzing the Company's expenses exclusive of these items illustrates underlying trends in our costs and provides better comparability between periods.

The following tables provide a reconciliation of total operating expenses to adjusted total operating expenses, direct employee costs to adjusted direct employee costs and other corporate costs to adjust other corporate costs:

	Three months ended December 31		Nine months ended December 31	
($ thousands)	**2021**	2020	**2021**	2020
Total operating expenses	**9,290**	7,601	**28,640**	26,553
CEWS	**259**	1,550	**583**	4,090
CERS	**140**	139	**183**	139
Restructuring charge	**-**	-	**(851)**	-
Adjusted total operating expenses	**9,689**	9,290	**28,555**	30,782
Direct employee costs	**7,054**	5,590	**22,703**	20,257
CEWS	**259**	1,550	**583**	4,090
Restructuring charge	**-**	-	**(851)**	-
Adjusted direct employee costs	**7,313**	7,140	**22,435**	24,347
Other corporate costs	**2,236**	2,011	**5,937**	6,296
CERS	**140**	139	**183**	139
Adjusted other corporate costs	**2,376**	2,150	**6,120**	6,435

For the three months ended December 31, 2021, adjusted direct employee costs increased by $0.2 million, or 2%, compared to the same period of the previous fiscal year. For the nine months ended December 31, 2021, adjusted direct employee costs decreased by $1.9 million, or 8%, compared to the same period of the previous fiscal year, due to lower stock-based compensation expense, salary reductions implemented on July 1, 2020 and lower headcount.

Adjusted other corporate costs increased by 11% for the three months ended December 31, 2021, compared to the same period of the previous fiscal year, due to small increases in a number of corporate categories. Adjusted other corporate costs for the nine months ended December 31, 2021 decreased by 5%, compared to the same period of the previous fiscal year, due to a refund of office operating costs and higher SR&ED credits.

Outlook

Our annuity/maintenance revenue increased slightly by 1% during Q3 of fiscal 2022 compared to Q3 of fiscal 2021, which was encouraging to see after experiencing comparable quarter declines in this revenue stream since late in fiscal 2020 when the COVID-19 pandemic first occurred. We are also encouraged by consecutive increases in fiscal 2022 sequential quarter annuity/maintenance revenue and a number of early renewals which had a positive effect on our December 31, 2021 deferred revenue balance.

On a year-to-date basis, annuity/maintenance revenue decreased by 7% affected by the headwinds experienced earlier in the fiscal year when our customers' spending was affected by COVID-related cautions and uncertainties.

Geographically, South American annuity/maintenance revenue was positively affected by a multi-year agreement with Petroleo Brasileiro S.A that includes commercial use of CoFlow. We are observing stability in Canadian annuity/maintenance revenue as evidenced by a 7% growth during the quarter which contributed to a flat year-to-date comparison. The United States and the Eastern Hemisphere saw decreases both during the quarter and year to date, as license reductions that occurred at the beginning of calendar 2021 continue to negatively affect revenue comparison with the prior year.

During the quarter, we closed two more deals for commercial licensing of CoFlow – one with a customer in South America and one in the Eastern Hemisphere.

Perpetual revenue was up $0.8 million, or 127%, during the three months ended December 31, 2021, mainly due to perpetual sales realized in Asia and Europe. Year-to-date perpetual sales were comparable to the same period of the previous fiscal year.

We remain focused on expense management. In Q2 of this year, we reduced our headcount and adjusted staff salaries. Executives' and directors' cash compensation remains reduced in fiscal 2022. Adjusted total operating expenses increased by 4% during the quarter, compared to the same quarter of the previous fiscal year. Year-to-date adjusted total operating expenses decreased by 7%, due to lower stock-based compensation expense, salary reductions and lower headcount. For almost two fiscal years now, discretionary expenses, such as travel, tradeshows and customer engagement have been reduced due to pandemic restrictions.

We continue to maintain a strong financial position. We closed the quarter with $47.7 million in cash, no debt and no significant accounts receivable collectability concerns. Basic earnings per share were $0.07 for the quarter and $0.17 for the year to date. During the quarter and year to date, we generated free cash flow of $0.08 and $0.19 per share, respectively. During the three months ended December 31, 2021, we declared and paid dividends totaling $0.05 per share.

Energy transition-related modelling, such as carbon capture and sequestration and geothermal processes, continues to be an area of opportunity for CMG, as CMG's existing software has the technical capabilities to support energy transition-related modelling. As producers and governments become increasingly interested in these processes, we believe that CMG is the experienced go-to partner for energy transition modelling solutions. During the current quarter, we continued to add new software and consulting contracts for energy transition and CO_2-related work.

During the current quarter we continued to observe recovery in both oil and gas demand and commodity prices. As market sentiment improves and our customers adapt to operating in volatile market conditions, we are encouraged by the renewals that we have seen in our customers' calendar 2022 budget cycle. As the market focuses on energy transition, capital discipline, operational efficiencies and debt reduction, CMG will be responsive and proactive to our customers' needs and will support them in improving the value of their assets by optimizing production and realizing operational cost efficiencies. We are hopeful for a more positive 2022. We look forward to getting back into the office, as well as attending in-person trade shows and events and re-engaging with customers in a more significant way, as the pandemic restrictions are loosened.

For further details on the results, please refer to CMG's Management Discussion and Analysis and Consolidated Financial Statements, which are available on SEDAR at www.sedar.com or on CMG's website at www.cmgl.ca.

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, EBITDA, free cash flow, free cash flow per share, direct employee costs, other corporate costs, adjusted total operating expenses, adjusted direct employee costs and adjusted other corporate costs – do not have a standard meaning prescribed by IFRS and, accordingly, may not be comparable to measures used by other companies.

Certain additional disclosures for these non-IFRS financial measures have been incorporated by reference and can be found on page 3 in the Company's MD&A for the three and nine months ended December 31, 2021, available on SEDAR at www.sedar.com and on the Company's website under the Investors section at www.cmgl.ca/investors.

Reconciliations of the non-IFRS financial measures to the most directly comparable IFRS financial measure are presented below:

EBITDA Reconciliation to Net Income

Three months ended December 31, ($ thousands)	**2021**	2020	$ change	% change
Net income	**5,574**	5,875	(301)	-5%
Add (deduct):				
Depreciation	**1,088**	1,072	16	1%
Finance (income) costs	**445**	1,027	(582)	-57%
Income and other taxes	**1,736**	1,535	201	13%
EBITDA	**8,843**	9,509	(666)	-7%

Nine months ended December 31, ($ thousands)	**2021**	2020	$ change	% change
Net income	**13,453**	15,897	(2,444)	-15%
Add (deduct):				
Depreciation	**3,144**	3,200	(56)	-2%
Finance (income) costs	**1,310**	2,834	(1,524)	-54%
Income and other taxes	**4,005**	5,278	(1,273)	-24%
EBITDA	**21,912**	27,209	(5,297)	-19%

Free Cash Flow Reconciliation to Funds Flow from Operations

	Fiscal 2020	Fiscal 2021				**Fiscal 2022**		
($ thousands, unless otherwise stated)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	**Q3**
Funds flow from operations	7,515	4,703	7,991	7,322	6,267	4,811	4,904	**7,022**
Capital expenditures	(296)	(149)	(200)	(7)	(41)	(27)	(133)	**(481)**
Repayment of lease liabilities	(379)	(315)	(317)	(310)	(471)	(306)	(277)	**(314)**
Free cash flow	6,840	4,239	7,474	7,005	5,755	4,478	4,494	**6,227**
Weighted average shares – basic (thousands)	80,249	80,249	80,265	80,286	80,286	80,286	80,307	**80,335**
Free cash flow per share – basic	0.09	0.05	0.09	0.09	0.07	0.06	0.06	**0.08**

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 energy industry. The Company is a leading supplier of advanced process reservoir modelling software, with a diverse customer base of international oil companies and technology centers in approximately 60 countries. CMG's existing technology has differentiating capabilities built into its software products that can also be directly applied to the energy transition needs of its customers. 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 $)	**December 31, 2021**	March 31, 2021
Assets		
Current assets:		
Cash	**47,727**	49,068
Trade and other receivables	**18,768**	23,239
Prepaid expenses	**1,065**	820
Prepaid income taxes	**1,149**	8
	68,709	73,135
Property and equipment	**11,305**	12,025
Right-of-use assets	**33,698**	35,509
Deferred tax asset	**1,926**	1,822
Total assets	**115,638**	122,491
Liabilities and shareholders' equity		
Current liabilities:		
Trade payables and accrued liabilities	**5,781**	6,316
Income taxes payable	**18**	49
Deferred revenue	**23,056**	30,461
Lease liability	**1,526**	1,356
	30,381	38,182
Long-term stock-based compensation liability	**1,156**	1,281
Long-term lease liability	**38,510**	39,606
Total liabilities	**70,047**	79,069
Shareholders' equity:		
Share capital	**80,248**	80,051
Contributed surplus	**14,818**	14,251
Deficit	**(49,475)**	(50,880)
Total shareholders' equity	**45,591**	43,422
Total liabilities and shareholders' equity	**115,638**	122,491

Condensed Consolidated Statements of Operations and Comprehensive Income

UNAUDITED (thousands of Canadian $ except per share amounts)	Three months ended December 31 2021	Three months ended December 31 2020	Nine months ended December 31 2021	Nine months ended December 31 2020
Revenue	**17,045**	16,038	**47,408**	50,562
Operating expenses				
Sales, marketing and professional services	**3,810**	3,335	**11,062**	11,209
Research and development	**3,926**	3,092	**12,599**	11,158
General and administrative	**1,554**	1,174	**4,979**	4,186
	9,290	7,601	**28,640**	26,553
Operating profit	**7,755**	8,437	**18,768**	24,009
Finance income	**115**	92	**339**	288
Finance costs	**(560)**	(1,119)	**(1,649)**	(3,122)
Profit before income and other taxes	**7,310**	7,410	**17,458**	21,175
Income and other taxes	**1,736**	1,535	**4,005**	5,278
Net and total comprehensive income	**5,574**	5,875	**13,453**	15,897
Earnings per share				
Basic and diluted	**0.07**	0.07	**0.17**	0.20

Condensed Consolidated Statements of Cash Flows

UNAUDITED (thousands of Canadian $)	Three months ended December 31 2021	2020	Nine months ended December 31 2021	2020
Operating activities				
Net income	**5,574**	5,875	**13,453**	15,897
Adjustments for:				
Depreciation	**1,088**	1,072	**3,144**	3,200
Deferred income tax expense (recovery)	**(49)**	(120)	**(104)**	(554)
Stock-based compensation	**409**	495	**244**	1,473
Funds flow from operations	**7,022**	7,322	**16,737**	20,016
Movement in non-cash working capital:				
Trade and other receivables	**(4,687)**	(4,345)	**4,471**	10,857
Trade payables and accrued liabilities	**68**	676	**(141)**	(1,371)
Prepaid expenses	**(45)**	98	**(245)**	(70)
Income taxes payable	**355**	(23)	**(1,172)**	1,069
Deferred revenue	**1,814**	(4,202)	**(7,405)**	(18,491)
Increase in non-cash working capital	**(2,495)**	(7,796)	**(4,492)**	(8,006)
Net cash provided by (used in) by operating activities	**4,527**	(474)	**12,245**	12,010
Financing activities				
Repayment of lease liability	**(314)**	(310)	**(897)**	(942)
Dividends paid	**(4,017)**	(4,015)	**(12,048)**	(12,041)
Net cash used in financing activities	**(4,331)**	(4,325)	**(12,945)**	(12,983)
Investing activities				
Property and equipment additions	**(481)**	(7)	**(641)**	(356)
Decrease in cash	**(285)**	(4,806)	**(1,341)**	(1,329)
Cash, beginning of period	**48,012**	43,982	**49,068**	40,505
Cash, end of period	**47,727**	39,176	**47,727**	39,176
Supplementary cash flow information				
Interest received	**115**	91	**339**	289
Interest paid	**500**	517	**1,510**	1,563
Income taxes paid	**1,107**	722	**4,617**	4,200

See accompanying notes to consolidated financial statements, which are available on SEDAR at www.sedar.com or on CMG's website at www.cmgl.ca.

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