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COMPUTER MODELLING GROUP ANNOUNCES YEAR END RESULTS

CALGARY, Alberta, May 20, 2021 (GlobeNewswire) – Computer Modelling Group Ltd. ("CMG" or the "Company") announces its financial results for year ended March 31, 2021.

Annual Performance

($ thousands, unless otherwise stated)	**March 31, 2021**	March 31, 2020	March 31, 2019
Annuity/maintenance licenses	**55,934**	63,974	63,800
Perpetual licenses	**3,619**	4,672	5,000
Software licenses	**59,553**	68,646	68,800
Professional services	**7,810**	7,140	6,057
Total revenue	**67,363**	75,786	74,857
Operating profit	**30,565**	31,751	29,554
Operating profit (%)	**45%**	42%	39%
Net income for the year	**20,190**	23,485	22,135
EBITDA(1)	**34,836**	36,111	31,507
Cash dividends declared and paid	**16,055**	32,097	32,090
Funds flow from operations	**26,283**	28,765	25,593
Free cash flow (1)	**24,473**	26,547	24,851
Total assets	**122,491**	120,866	90,305
Total shares outstanding	**80,286**	80,249	80,227
Trading price per share at March 31	**5.75**	3.83	6.15
Market capitalization at March 31	**461,645**	307,353	493,396
Per share amounts – ($/share)			
Earnings per share – basic and diluted	**0.25**	0.29	0.28
Cash dividends declared and paid	**0.20**	0.40	0.40
Funds flow from operations per share – basic	**0.33**	0.36	0.32
Free cash flow per share – basic (1)	**0.30**	0.33	0.31

(1) Non-IFRS financial measures are defined in the "Non-IFRS Financial Measures" section.

Quarterly Performance

($ thousands, unless otherwise stated)	Fiscal 2020 Q1	Q2	Q3	Q4	Fiscal 2021 Q1	Q2	Q3	Q4
Annuity/maintenance licenses	15,756	16,373	16,612	15,233	14,523	14,144	13,477	13,790
Perpetual licenses	1,159	1,146	964	1,403	-	1,775	660	1,184
Software licenses	16,915	17,519	17,576	16,636	14,523	15,919	14,137	14,974
Professional services	1,208	2,354	1,699	1,879	2,149	1,933	1,901	1,827
Total revenue	18,123	19,873	19,275	18,515	16,672	17,852	16,038	16,801
Operating profit	7,068	9,343	7,538	7,802	5,711	9,861	8,437	6,556
Operating profit (%)	39	47	39	42	34	55	53	39
Profit before income and other taxes	6,439	9,350	7,054	9,613	4,405	9,360	7,410	5,747
Income and other taxes	1,997	2,482	1,942	2,550	1,143	2,600	1,535	1,454
Net income for the period	4,442	6,868	5,112	7,063	3,262	6,760	5,875	4,293
EBITDA	8,118	10,426	8,644	8,923	6,767	10,933	9,509	7,627
Cash dividends declared and paid	8,022	8,026	8,025	8,024	4,013	4,013	4,015	4,014
Funds flow from operations	6,097	7,787	7,366	7,515	4,703	7,991	7,322	6,267
Free cash flow	5,707	7,274	6,726	6,840	4,239	7,474	7,005	5,755
Per share amounts – ($/share)								
Earnings per share (EPS) – basic and diluted	0.06	0.09	0.06	0.09	0.04	0.08	0.07	**0.05**
Cash dividends declared and paid	0.10	0.10	0.10	0.10	0.05	0.05	0.05	**0.05**
Funds flow from operations per share - basic	0.08	0.10	0.09	0.09	0.06	0.10	0.09	**0.08**
Free cash flow per share – basic	0.07	0.09	0.08	0.09	0.05	0.09	0.09	**0.07**

Commentary on Quarterly Performance

For the Three Months Ended ***For the Year Ended***

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

For the Three Months Ended

- Annuity/maintenance license revenue decreased by 9%, primarily due to the ongoing disruption to the oil and gas industry caused by the COVID-19 pandemic, consolidations in the industry and reduced activity in unconventional shale plays both prior to and during the COVID-19 pandemic;
- Perpetual revenue, which is variable in nature, decreased by 16%;
- Total revenue decreased by 9%, due to decreases in software revenue, as well as professional services revenue;
- Total operating expenses decreased by 4%, due to CEWS and CERS benefits of $1.2 million and compensation reductions, partially offset by higher stock-based compensation expenses as a result of the share price increase;
- Quarterly operating profit margin of 39%, down from the comparative quarter's figure of 42%. Without the impact of the CEWS and CERS benefits, the operating profit margin was 32%, below our fiscal 2019 and fiscal 2020 historic average of 40%;
- Basic EPS of $0.05 was lower than the comparative quarter;
- Achieved free cash flow per share of $0.07;
- Declared and paid a dividend of $0.05 per share.

For the Year Ended

- Annuity/maintenance license revenue decreased by 13%, primarily due to the ongoing disruption to the oil and gas industry caused by the COVID-19 pandemic, consolidations in the industry and reduced activity in unconventional shale plays both prior to and during the COVID-19 pandemic;
- Perpetual revenue, which is variable in nature, decreased by 23%;
- Total revenue decreased by 11%, with lower software revenue being slightly offset by higher professional services revenue;
- Total operating expenses decreased by 16%, due to CEWS and CERS benefits of $5.5 million and compensation reductions, partially offset by higher stock-based compensation expenses as a result of the share price increase;
- Year-to-date operating profit margin was 45%, up from the previous year's 42%. Without the impact of the CEWS and CERS benefits, the year-to-date operating profit margin was 37%, slightly below our fiscal 2019 and fiscal 2020 historic average of 40%;
- Basic EPS of $0.25 was lower than the previous year;
- Achieved free cash flow per share of $0.30;
- Declared and paid dividends of $0.20 per share.

Outlook

This year has been a year like no other.

CMG, as many other companies worldwide, has been affected by the COVID-19 pandemic. Our fiscal 2021 total revenue decreased by 11%, with lower software revenue being slightly offset by higher professional services revenue. Annuity and maintenance license revenue decreased by 13% when compared to last year, due to ongoing oil and gas industry disruption caused by the pandemic, corporate consolidations, economic pressures and lower unconventional shale activity both prior to and during the pandemic.

On a full-year basis, Canada, the US and South America accounted for the decrease in annuity and maintenance revenue, while the Eastern Hemisphere increased by 2%, due to the addition of a multi-year contract and increased licensing by existing customers.

Outside of our control are the extent to which this pandemic continues, future global developments, and the precise impact those will have on our operating results, financial condition and cash flow. What remains within our control, however, is to manage elements critical to seeing CMG emerge from this pandemic in a position of strength and resiliency. Accordingly, in response to the COVID-19 pandemic and the range of scenarios, challenges and uncertainties it presented, CMG took the following steps, which were within its control, in order to preserve liquidity, financial flexibility, balance sheet strength and profitability:

- reduced the quarterly dividend by 50% (from $0.10 per share to $0.05 per share) effective June 15, 2020;
- reduced the CEO’s annual salary by 25% effective July 1, 2020;
- reduced the directors’ cash compensation by 20% effective July 1, 2020;
- reduced the executive officers’ annual salaries by 20% effective July 1, 2020; and
- implemented graduated salary reductions across all staff.

The Company intends to review the salary and cash compensation reductions after it has finalized and released its 2021 year-end results. The salary reductions to staff, executives and the CEO were reallocated to variable cash compensation. Based on the 2021 year-end results, executive variable cash compensation was 67% of its corporate performance target, as compared to a 92% achievement rate for 2020.

We continue to monitor the effect that the prolonged continuance of the COVID-19 pandemic is having on our operations, including sales levels and financial performance, and will make operational adjustments as appropriate.

In addition, our relative revenue decrease meant we were eligible for and received assistance from the Canada Emergency Wage Subsidy (“CEWS”) and the Canada Emergency Rent Subsidy ("CERS") federal government programs. Funds received were used to cover a portion of our salary, wages and office rent costs paid during the year.

Total operating expenses decreased by 16% in fiscal 2021, as a result of the compensation reductions and the CEWS and CERS subsidies (partially offset by higher stock-based compensation expense, which was a result of the year-over-year increase in CMG’s share price.)

Basic earnings per share was $0.25 per share, compared to $0.29 per share last year. During the year we declared and paid dividends totaling $0.20 per share.

We continue to maintain a strong financial position. We closed the year with $49.1 million of cash, no debt and no significant accounts receivable collectability concerns. Despite the turmoil resulting from the COVID-19 pandemic, we generated $0.30 per share of free cash flow, compared to $0.33 per share during the year before.

Ongoing progress in the development and distribution of the COVID-19 vaccine provides a reason for us to have cautious optimism. While the industry outlook and customer sentiment may be improving, we are unable to predict the timing of economies reopening, the level of global commodity demand or the impact that volatile commodity prices will have on a recovery. A year ago, there was significant uncertainty facing our customers and, by association, CMG. I would like to think that a large part of that uncertainty had abated by the end of our fiscal year.

As the market focuses on energy transition, capital discipline, operational efficiencies, improved returns, debt reduction and returning cash to shareholders, CMG intends to be responsive and proactive to our customers' needs and to assist them in improving the value of their assets by optimizing production and realizing operational cost efficiencies.

Ultimately, the success of this company continues to rely on the efforts and talents of our employees, our ability to be nimble and resilient in the face of uncertainty, and the support of our shareholders. My deep appreciation and gratitude go out to all CMG staff and the executive team for their outstanding efforts and dedication throughout a particularly trying fiscal year.

I would also like to express my gratitude to our Board of Directors for their continued support and trusted counsel throughout the year.

(signed)

Ryan N. Schneider
President and Chief Executive Officer
May 20, 2021

Revenue

Three months ended March 31, ($ thousands)	**2021**	2020	$ change	% change
Software license revenue	**14,974**	16,636	(1,662)	-10%
Professional services	**1,827**	1,879	(52)	-3%
Total revenue	**16,801**	18,515	(1,714)	-9%
Software license revenue as a % of total revenue	**89%**	90%		
Professional services as a % of total revenue	**11%**	10%		

Years ended March 31, ($ thousands)	**2021**	2020	$ change	% change
Software license revenue	**59,553**	68,646	(9,093)	-13%
Professional services	**7,810**	7,140	670	9%
Total revenue	**67,363**	75,786	(8,423)	-11%
Software license revenue as a % of total revenue	**88%**	91%		
Professional services as a % of total revenue	**12%**	9%		

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 months ended March 31, 2021 decreased by 9%, due to decreases in both software license revenue and professional services revenue.

Total revenue for the year ended March 31, 2021 decreased by 11%, due to a decrease in software license revenue, slightly offset by an increase in professional services revenue.

Software License Revenue

Three months ended March 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue	**13,790**	15,233	(1,443)	-9%
Perpetual license revenue	**1,184**	1,403	(219)	-16%
Total software license revenue	**14,974**	16,636	(1,662)	-10%
Annuity/maintenance as a % of total software license revenue	**92%**	92%		
Perpetual as a % of total software license revenue	**8%**	8%		

Years ended March 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue	**55,934**	63,974	(8,040)	-13%
Perpetual license revenue	**3,619**	4,672	(1,053)	-23%
Total software license revenue	**59,553**	68,646	(9,093)	-13%
Annuity/maintenance as a % of total software license revenue	**94%**	93%		
Perpetual as a % of total software license revenue	**6%**	7%		

Total software license revenue for the three months and year ended March 31, 2021 decreased by 10% and 13%, compared to the same periods of the previous fiscal year, due to decreases in both annuity/maintenance license revenue and perpetual license revenue.

During the three months ended March 31, 2021, CMG's annuity/maintenance license revenue decreased by 9%, compared to the same period of the previous fiscal year. Canada, the US and the Eastern Hemisphere contributed to the decrease, while South America stayed essentially level due to reactivation of maintenance on perpetual licenses recorded during the quarter. The decreases in Canada, the US and the Eastern Hemisphere were due to decreased licensing, some of which was triggered by the COVID-19 pandemic and the resulting economic uncertainty, as well as consolidation activity in the oil and gas industry and reduced activity levels in unconventional shale plays.

On a full-year basis, CMG's annuity/maintenance license revenue decreased by 13%, compared to the previous fiscal year. Canada, the US and South America contributed to the decrease, while the Eastern Hemisphere increased by 2%, due to the addition of a multi-year contract and increased licensing by existing customers.

Perpetual license revenue decreased by 16% and 23% during the three months and year ended March 31, 2021, compared to the same periods of the previous fiscal year. Low commodity prices and resulting lower cash flows in the oil and gas industry reduced our customers' ability to purchase perpetual licenses in the near term.

Software Revenue by Geographic Region

Three months ended March 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue				
Canada	**3,012**	3,324	(312)	-9%
United States	**3,580**	4,524	(944)	-21%
South America	**1,752**	1,694	58	3%
Eastern Hemisphere[(1)]	**5,446**	5,691	(245)	-4%
	13,790	15,233	(1,443)	-9%
Perpetual license revenue				
Canada	**-**	-	-	0%
United States	**32**	163	(131)	-80%
South America	**-**	-	-	0%
Eastern Hemisphere	**1,152**	1,240	(88)	-7%
	1,184	1,403	(219)	-16%
Total software license revenue				
Canada	**3,012**	3,324	(312)	-9%
United States	**3,612**	4,687	(1,075)	-23%
South America	**1,752**	1,694	58	3%
Eastern Hemisphere	**6,598**	6,931	(333)	-5%
	14,974	16,636	(1,662)	-10%

Years ended March 31, ($ thousands)	2021	2020	$ change	% change
Annuity/maintenance license revenue				
Canada	**12,464**	14,977	(2,513)	-17%
United States	**15,113**	19,655	(4,542)	-23%
South America	**6,164**	7,625	(1,461)	-19%
Eastern Hemisphere[(1)]	**22,193**	21,717	476	2%
	55,934	63,974	(8,040)	-13%
Perpetual license revenue				
Canada	**-**	-	-	0%
United States	**32**	461	(429)	-93%
South America	**1,020**	1,280	(260)	-20%
Eastern Hemisphere	**2,567**	2,931	(364)	-12%
	3,619	4,672	(1,053)	-23%
Total software license revenue				
Canada	**12,464**	14,977	(2,513)	-17%
United States	**15,145**	20,116	(4,971)	-25%
South America	**7,184**	8,905	(1,721)	-19%
Eastern Hemisphere	**24,760**	24,648	112	0%
	59,553	68,646	(9,093)	-13%

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

During the three months ended March 31, 2021, total software license revenue decreased in all geographic regions except for South America, which experienced a 3% increase. During the year ended March 31, 2021, total software license revenue decreased in all geographic regions except for the Eastern Hemisphere, which remained flat.

The Canadian region (representing 21% of annual total software license revenue) experienced decreases of 9% and 17% in annuity/maintenance license revenue during the three months and year ended March 31, 2021, compared to the same periods of the previous fiscal year, due to decreases in licensing by existing customers. A portion of the year-over-year decrease was caused by consolidation activity in the industry.

The United States (representing 25% of annual total software license revenue) experienced decreases of 21% and 23% in annuity/maintenance license revenue during the three months and year ended March 31, 2021, compared to the same periods of the previous fiscal year. The decreases were a result of decreased licensing by some customers, precipitated by consolidation in the industry and reduced activity levels in unconventional shale plays both before and during the COVID-19 pandemic. Perpetual sales during the three months and year ended March 31, 2021 were lower than in the comparative periods.

South America (representing 12% of annual total software license revenue) experienced an increase of 3% in annuity/maintenance license revenue during the three months ended March 31, 2021, due to reactivation of maintenance on perpetual licenses during the quarter, partially offset by losses due to the COVID-19 pandemic and the resulting economic uncertainty. On a full-year basis, South America experienced a decrease of 19% in annuity/maintenance license revenue, due to the negative impact of the COVID-19 pandemic and the resulting economic uncertainty, which affected the renewal of some of our maintenance contracts. Perpetual sales during the year ended March 31, 2021 were lower than in the comparative period.

The Eastern Hemisphere (representing 42% of annual total software license revenue) experienced a decrease of 4% in annuity/maintenance license revenue during the three months ended March 31, 2021, compared to the same period of the previous fiscal year, as decreased licensing by some customers was partially offset by increased licensing by others, including a new multi-year annuity contract that commenced at the end of the previous fiscal year. On a full-year basis, annuity/maintenance license revenue in the Eastern Hemisphere increased slightly by 2%, due to increased licensing from existing customers and the aforementioned multi-year contract, partially offset by reduced licensing by some customers. Perpetual sales were down by 7% and 12% during the three months and year ended March 31, 2021, compared to the same periods of the previous fiscal year.

Deferred Revenue

($ thousands)	**Fiscal 2021**	Fiscal 2020	$ change	% change
Deferred revenue at:				
Q1 (June 30)	**25,492**	29,266	(3,774)	-13%
Q2 (September 30)	**19,549**	23,849	(4,300)	-18%
Q3 (December 31)	**15,347**	15,679	(332)	-2%
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 Q4 of fiscal 2021 decreased by 10% when compared to Q4 of fiscal 2020.

Expenses

Three months ended March 31, ($ thousands)	2021	2020	$ change	% change
Sales, marketing and professional services	**4,481**	4,398	83	2%
Research and development	**4,036**	4,783	(747)	-16%
General and administrative	**1,728**	1,532	196	13%
Total operating expenses	**10,245**	10,713	(468)	-4%
Direct employee costs[1]	**7,970**	8,153	(183)	-2%
Other corporate costs	**2,275**	2,560	(285)	-11%
	10,245	10,713	(468)	-4%

Years ended March 31, ($ thousands)	2021	2020	$ change	% change
Sales, marketing and professional services	**15,690**	18,126	(2,436)	-13%
Research and development	**15,194**	19,244	(4,050)	-21%
General and administrative	**5,914**	6,665	(751)	-11%
Total operating expenses	**36,798**	44,035	(7,237)	-16%
Direct employee costs[1]	**28,227**	33,905	(5,678)	-17%
Other corporate costs	**8,571**	10,130	(1,559)	-15%
	36,798	44,035	(7,237)	-16%

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

Total operating expenses for the three months and year ended March 31, 2021 decreased by 4% and 16%, respectively, compared to the same periods of the previous fiscal year, due to decreases in both direct employee costs and other corporate costs.

Direct employee costs for the three months and year ended March 31, 2021 decreased by 2% and 17%, respectively, compared to the same periods of the previous fiscal year. The decrease was due to the CEWS benefit and salary reductions, partially offset by higher stock-based compensation expense due to increases in the share price. Salary reductions were announced in our March 31, 2020 MD&A and implemented effective July 1, 2020. CMG became eligible for the CEWS program as a result of the decline in revenue and recorded a CEWS benefit of $1.1 million and $5.2 million during the three months and year ended March 31, 2021.

Other corporate costs for the three months and year ended March 31, 2021 decreased by 11% and 15%, respectively, compared to the same periods of the previous fiscal year, due to lower travel, marketing and office costs as a result of COVID-19 restrictions and the CERS benefit. These decreases were partially offset by lower SR&ED credits, as explained in the next section.

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, 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 direct employee 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".

Consolidated Statements of Financial Position

(thousands of Canadian $)	**March 31, 2021**	March 31, 2020
Assets		
Current assets:		
Cash	**49,068**	40,505
Trade and other receivables	**23,239**	26,277
Prepaid expenses	**820**	913
Prepaid income taxes	**8**	771
	73,135	68,466
Property and equipment	**12,025**	13,507
Right-of-use assets	**35,509**	37,901
Deferred tax asset	**1,822**	992
Total assets	**122,491**	120,866
Liabilities and shareholders' equity		
Current liabilities:		
Trade payables and accrued liabilities	**6,316**	5,779
Income taxes payable	**49**	60
Deferred revenue	**30,461**	33,838
Lease liability	**1,356**	1,313
	38,182	40,990
Long-term stock-based compensation liability	**1,281**	445
Long-term lease liability	**39,606**	41,062
Total liabilities	**79,069**	82,497
Shareholders' equity:		
Share capital	**80,051**	79,851
Contributed surplus	**14,251**	13,533
Deficit	**(50,880)**	(55,015)
Total shareholders' equity	**43,422**	38,369
Total liabilities and shareholders' equity	**122,491**	120,866

Consolidated Statements of Operations and Comprehensive Income

Years ended March 31, (thousands of Canadian $ except per share amounts)	**2021**	2020
Revenue	**67,363**	75,786
Operating expenses		
Sales, marketing and professional services	**15,690**	18,126
Research and development	**15,194**	19,244
General and administrative	**5,914**	6,665
	36,798	44,035
Operating profit	**30,565**	31,751
Finance income	**374**	2,833
Finance costs	**(4,017)**	(2,128)
Profit before income and other taxes	**26,922**	32,456
Income and other taxes	**6,732**	8,971
Net and total comprehensive income	**20,190**	23,485
Earnings per share		
Basic and diluted	**0.25**	0.29

Consolidated Statements of Cash Flows

Years ended March 31, (thousands of Canadian $)	2021	2020
Operating activities		
Net income	**20,190**	23,485
Adjustments for:		
Depreciation	**4,271**	4,360
Deferred income tax recovery	**(831)**	(13)
Stock-based compensation	**2,653**	933
Funds flow from operations	**26,283**	28,765
Movement in non-cash working capital:		
Trade and other receivables	**3,038**	(7,057)
Trade payables and accrued liabilities	**(361)**	86
Prepaid expenses	**93**	317
Income taxes payable	**752**	(404)
Deferred revenue	**(3,377)**	(1,177)
Decrease (increase) in non-cash working capital	**145**	(8,235)
Net cash provided by operating activities	**26,428**	20,530
Financing activities		
Repayment of lease liability	**(1,413)**	(1,228)
Dividends paid	**(16,055)**	(32,097)
Net cash used in financing activities	**(17,468)**	(33,325)
Investing activities		
Property and equipment additions	**(397)**	(990)
Increase (decrease) in cash	**8,563**	(13,785)
Cash, beginning of period	**40,505**	54,290
Cash, end of period	**49,068**	40,505
Supplementary cash flow information		
Interest received	**374**	1,135
Interest paid	**2,074**	2,128
Income taxes paid	**6,107**	7,893

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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