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COMPUTER MODELLING GROUP ANNOUNCES YEAR-END RESULTS

CALGARY, Alberta, May 19, 2022 (GlobeNewswire) – Computer Modelling Group Ltd. ("CMG" or the "Company") announces its financial results for year ended March 31, 2022.

Annual Performance

($ thousands, unless otherwise stated)	**March 31, 2022**	March 31, 2021	March 31, 2020
Annuity/maintenance license revenue	**53,406**	55,934	63,974
Perpetual license revenue	**4,819**	3,619	4,672
Software license revenue	**58,225**	59,553	68,646
Professional service revenue	**7,977**	7,810	7,140
Total revenue	**66,202**	67,363	75,786
Operating profit	**26,080**	30,565	31,751
Operating profit (%)	**39%**	45%	42%
Net income for the year	**18,405**	20,190	23,485
EBITDA(1)	**30,278**	34,836	36,111
Cash dividends declared and paid	**16,064**	16,055	32,097
Funds flow from operations	**23,842**	26,283	28,765
Free cash flow (1)	**21,783**	24,473	26,547
Total assets	**125,148**	122,491	120,866
Total shares outstanding	**80,335**	80,286	80,249
Trading price per share at March 31	**5.36**	5.75	3.83
Market capitalization at March 31	**430,596**	461,645	307,353
Per share amounts – ($/share)			
Earnings per share – basic and diluted	**0.23**	0.25	0.29
Cash dividends declared and paid	**0.20**	0.20	0.40
Funds flow from operations per share – basic	**0.30**	0.33	0.36
Free cash flow per share – basic (1)	**0.27**	0.30	0.33

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

Quarterly Performance

	Fiscal 2021				Fiscal 2022			
($ thousands, unless otherwise stated)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	**Q4**
Annuity/maintenance license revenue	14,523	14,144	13,477	13,790	12,286	13,239	13,575	**14,306**
Perpetual license revenue	-	1,775	660	1,184	125	846	1,497	**2,351**
Software license revenue	14,523	15,919	14,137	14,974	12,411	14,085	15,072	**16,657**
Professional services revenue	2,149	1,933	1,901	1,827	2,003	1,864	1,973	**2,137**
Total revenue	16,672	17,852	16,038	16,801	14,414	15,949	17,045	**18,794**
Operating profit	5,711	9,861	8,437	6,556	5,573	5,440	7,755	**7,312**
Operating profit (%)	34	55	53	39	39	34	45	**39**
Profit before income and other taxes	4,405	9,360	7,410	5,747	4,827	5,321	7,310	**6,563**
Income and other taxes	1,143	2,600	1,535	1,454	1,094	1,175	1,736	**1,611**
Net income for the period	3,262	6,760	5,875	4,293	3,733	4,146	5,574	**4,952**
EBITDA(1)	6,767	10,933	9,509	7,627	6,596	6,473	8,843	**8,366**
Cash dividends declared and paid	4,013	4,013	4,015	4,014	4,015	4,016	4,017	**4,016**
Funds flow from operations	4,703	7,991	7,322	6,267	4,811	4,904	7,022	**7,105**
Free cash flow(1)	4,239	7,474	7,005	5,755	4,478	4,494	6,227	**6,584**
Per share amounts – ($/share)								
Earnings per share (EPS) – basic and diluted	0.04	0.08	0.07	0.05	0.05	0.05	0.07	**0.06**
Cash dividends declared and paid	0.05	0.05	0.05	0.05	0.05	0.05	0.05	**0.05**
Funds flow from operations per share – basic	0.06	0.10	0.09	0.08	0.06	0.06	0.09	**0.09**
Free cash flow per share – basic(1)	0.05	0.09	0.09	0.07	0.06	0.06	0.08	**0.08**

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

Commentary on Quarterly Performance

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

March 31, 2022 and compared to the same period of the previous fiscal year, when appropriate:

For the Three Months Ended

- Annuity/maintenance license revenue increased by 4%;
- Perpetual license revenue increased by $1.2 million, or 99%;
- Total revenue increased by 12%;
- Total operating expenses increased by 12%. Adjusted for CEWS and CERS benefits, operating expenses increased by 8%;
- Quarterly operating profit margin was 39%, consistent with the comparative quarter. Adjusted for CEWS and CERS benefits, operating profit margin was 34% and 32%, respectively;
- Basic EPS of $0.06 was $0.01 higher than the comparative quarter;
- Achieved free cash flow per share of $0.08;
- Declared and paid a dividend of $0.05 per share.

For the Year Ended

- Annuity/maintenance license revenue decreased by 5%;
- Perpetual license revenue increased by $1.2 million, or 33%;
- Total revenue decreased by 2%;
- Total operating expenses increased by 9%. Adjusted for CEWS and CERS benefits and a one-time restructuring charge, operating expenses decreased by 3%;
- Year-to-date operating profit margin was 39%, down from the comparative period's figure of 45%. Adjusted for CEWS and CERS benefits and the one-time restructuring charge, operating profit was 38% and 37%, respectively;
- Basic EPS of $0.23 was lower than the comparative year's EPS of $0.25;
- Achieved free cash flow per share of $0.27;
- Declared and paid dividends of $0.20 per share.

Revenue

Three months ended March 31, ($ thousands)	**2022**	2021	$ change	% change
Software license revenue	**16,657**	14,974	1,683	11%
Professional services revenue	**2,137**	1,827	310	17%
Total revenue	**18,794**	16,801	1,993	12%
Software license revenue as a % of total revenue	**89%**	89%		
Professional services revenue as a % of total revenue	**11%**	11%		

Years ended March 31, ($ thousands)	**2022**	2021	$ change	% change
Software license revenue	**58,225**	59,553	(1,328)	-2%
Professional services revenue	**7,977**	7,810	167	2%
Total revenue	**66,202**	67,363	(1,161)	-2%
Software license revenue as a % of total revenue	**88%**	88%		
Professional services revenue 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 March 31, 2022 increased by 12%, due to increases in both software license revenue and professional services revenue.

Total revenue for the year ended March 31, 2022 decreased by 2%, 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)	**2022**	2021	$ change	% change
Annuity/maintenance license revenue	**14,306**	13,790	516	4%
Perpetual license revenue	**2,351**	1,184	1,167	99%
Total software license revenue	**16,657**	14,974	1,683	11%
Annuity/maintenance as a % of total software license revenue	**86%**	92%		
Perpetual as a % of total software license revenue	**14%**	8%		

Years ended March 31, ($ thousands)	2022	2021	$ change	% change
Annuity/maintenance license revenue	**53,406**	55,934	(2,528)	-5%
Perpetual license revenue	**4,819**	3,619	1,200	33%
Total software license revenue	**58,225**	59,553	(1,328)	-2%
Annuity/maintenance as a % of total software license revenue	**92%**	94%		
Perpetual as a % of total software license revenue	**8%**	6%		

Total software license revenue for the three months ended March 31, 2022 increased by 11%, compared to the same period of the previous fiscal year, due to increases in both perpetual license revenue and annuity/maintenance license revenue. Annuity/maintenance license revenue increased by 4%, due to increases in Canada and the Eastern Hemisphere, partially offset by decreases in the United States and South America.

During the year ended March 31, 2022, CMG's total software license revenue decreased by 2%, compared to the previous fiscal year, due to a decrease in annuity/maintenance license revenue, partially offset by an increase in perpetual license revenue. Annuity/maintenance license revenue decreased by 5%, due to decreases in the United States and the Eastern Hemisphere, partially offset by increases in South America and Canada.

Software Revenue by Geographic Region

Three months ended March 31, ($ thousands)	2022	2021	$ change	% change
Annuity/maintenance license revenue				
Canada	**3,274**	3,012	262	9%
United States	**3,408**	3,580	(172)	-5%
South America	**1,663**	1,752	(89)	-5%
Eastern Hemisphere(1)	**5,961**	5,446	515	9%
	14,306	13,790	516	4%
Perpetual license revenue				
Canada	**-**	-	-	-
United States	**-**	32	(32)	-100%
South America	**-**	-	-	-
Eastern Hemisphere	**2,351**	1,152	1,199	104%
	2,351	1,184	1,167	99%
Total software license revenue				
Canada	**3,274**	3,012	262	9%
United States	**3,408**	3,612	(204)	-6%
South America	**1,663**	1,752	(89)	-5%
Eastern Hemisphere	**8,312**	6,598	1,714	26%
	16,657	14,974	1,683	11%

Years ended March 31, ($ thousands)	**2022**	2021	$ change	% change
Annuity/maintenance license revenue				
Canada	**12,699**	12,464	235	2%
United States	**12,910**	15,113	(2,203)	-15%
South America	**6,858**	6,164	694	11%
Eastern Hemisphere(1)	**20,939**	22,193	(1,254)	-6%
	53,406	55,934	(2,528)	-5%
Perpetual license revenue				
Canada	**-**	-	-	-
United States	**401**	32	369	1153%
South America	**-**	1,020	(1,020)	-100%
Eastern Hemisphere	**4,418**	2,567	1,851	72%
	4,819	3,619	1,200	33%
Total software license revenue				
Canada	**12,699**	12,464	235	2%
United States	**13,311**	15,145	(1,834)	-12%
South America	**6,858**	7,184	(326)	-5%
Eastern Hemisphere	**25,357**	24,760	597	2%
	58,225	59,553	(1,328)	-2%

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

During the three months and year ended March 31, 2022, compared to the same periods of the previous fiscal year, total software license revenue increased in the Eastern Hemisphere and Canada and decreased in the United States and South America.

The Canadian region (representing 22% of annual total software license revenue) experienced 9% and 2% increases in annuity/maintenance license revenue during the three months and year ended March 31, 2022, respectively, due to a returning customer and increased licensing by some existing customers.

The United States (representing 23% of annual total software license revenue), experienced decreases of 5% and 15% in annuity/maintenance license revenue during the three months and year ended March 31, 2022, 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 decreased slightly during the quarter and increased during the year, compared to the same periods of the previous fiscal year.

South America (representing 12% of annual total software license revenue) showed a decrease of 5% in annuity/maintenance license revenue during the three months ended March 31, 2022, mainly due to reactivation of maintenance on perpetual licenses in the comparative quarter. During the year ended March 31, 2022, annuity/maintenance license revenue from South America increased by 11%, compared to the previous fiscal year, primarily due to a new multi-year lease that included CoFlow. There were no perpetual sales in South America during the current quarter or year.

The Eastern Hemisphere (representing 43% of annual total software license revenue) experienced a 9% increase in annuity/maintenance license revenue during the three months ended March 31, 2022, primarily due to a three-year agreement with a customer in Asia. During the year ended March 31, 2022, annuity/maintenance license revenue from the Eastern Hemisphere decreased by 6%, due to reduced licensing by some customers. Perpetual revenue during the three months and year ended December 31, 2022 increased by 104% and 72%, respectively, as a result of perpetual sales realized in Asia and Europe.

Deferred Revenue

($ thousands)	**Fiscal 2022**	Fiscal 2021	$ 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)	**30,454**	30,461	(7)	0%

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 2022 was comparable to Q4 of fiscal 2021.

Expenses

Three months ended March 31, ($ thousands)	**2022**	2021	$ change	% change
Sales, marketing and professional services	**4,933**	4,481	452	10%
Research and development	**4,106**	4,036	70	2%
General and administrative	**2,443**	1,728	715	41%
Total operating expenses	**11,482**	10,245	1,237	12%
Direct employee costs[(1)]	**7,889**	7,970	(81)	-1%
Other corporate costs[(1)]	**3,593**	2,275	1,318	58%
	11,482	10,245	1,237	12%

Years ended March 31, ($ thousands)	**2022**	2021	$ change	% change
Sales, marketing and professional services	**15,995**	15,690	305	2%
Research and development	**16,705**	15,194	1,511	10%
General and administrative	**7,422**	5,914	1,508	25%
Total operating expenses	**40,122**	36,798	3,324	9%
Direct employee costs[(1)]	**30,592**	28,227	2,365	8%
Other corporate costs[(1)]	**9,530**	8,571	959	11%
	40,122	36,798	3,324	9%

(1) This is a non-IFRS financial measure. See 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 adjusted other corporate costs:

	Three months ended March 31		Years ended March 31	
($ thousands)	**2022**	2021	**2022**	2021
Total operating expenses	**11,482**	10,245	**40,122**	36,798
CEWS	**916**	1,116	**1,499**	5,206
CERS	**-**	109	**183**	248
Restructuring charge	**-**	-	**(851)**	-
Adjusted total operating expenses	**12,398**	11,470	**40,953**	42,252
Direct employee costs	**7,889**	7,970	**30,592**	28,227
CEWS	**916**	1,116	**1,499**	5,206
Restructuring charge	**-**	-	**(851)**	-
Adjusted direct employee costs	**8,805**	9,086	**31,240**	33,433
Other corporate costs	**3,593**	2,275	**9,530**	8,571
CERS	**-**	109	**183**	248
Adjusted other corporate costs	**3,593**	2,384	**9,713**	8,819

For the three months ended March 31, 2022, adjusted direct employee costs decreased by $0.3 million, or 3%, compared to the same period of the previous fiscal year, primarily due to lower headcount. For the year ended March 31, 2022, adjusted direct employee costs decreased by $2.2 million, or 7%, compared to the previous fiscal year, due to lower headcount and lower stock-based compensation expense.

Adjusted other corporate costs increased by 51% and 10% for the three months and year ended March 31, 2022, compared to the same periods of the previous fiscal year, primarily due to the write-off of receivables from Russian customers as a result of the Company's decision to suspend doing business in Russia.

Outlook

During fiscal 2022, CMG had to navigate a very volatile economic environment characterized by fluctuating demand for oil and gas and volatility in global energy prices, which were influenced by the uncertainty of the COVID-19 pandemic and geopolitical instability.

Compared to fiscal 2021, our fiscal 2022 total revenue decreased by 2%, due to a decrease in software license revenue, which also decreased by 2%. Total software license revenue decreased as the headwinds of the first two quarters offset the growth of the last two quarters of fiscal 2022. On a full-year basis, Canada and the Eastern Hemisphere grew by 2% each, while the Unites States and South America experienced decreases. CMG experienced growth in Canada as a result of increased licensing, and the Eastern Hemisphere segment grew as a result of strong perpetual sales. Similar to the previous fiscal year, the United States continued to be affected by industry consolidation and reduced licensing due to ongoing challenges experienced by US unconventional shale plays. While South America was positively impacted by the new multi-year lease that included CoFlow, it recorded lower perpetual sales in the current fiscal year.

Annuity and maintenance license revenue decreased by 5% compared to last year. This was due to decreases in the first two quarters of fiscal 2022, which were impacted by ongoing oil and gas industry disruption caused by the pandemic, corporate consolidations, economic pressures, and lower unconventional shale activity. Our annuity and maintenance revenue improved in the last two quarters of fiscal 2022 with a 4% increase experienced in the most recent quarter, which was supported by improved industry conditions and the CoFlow lease in South America.

Perpetual license sales increased by 33% compared to last year, supported by sales in the United States and the Eastern Hemisphere.

During fiscal 2022, our efforts towards the commercialization of CoFlow were rewarded with four additional leases, including a multi-year lease to Petroleo Brasileiro S.A. (Petrobras), one of the original partners of the CoFlow project. Subsequent to fiscal year end, we closed another deal with a Middle Eastern customer for commercial licensing of CoFlow. We are pleased that the revenue stream from our existing CoFlow commercial customers, combined with the development funding from Shell, is projected to generate a positive margin for CoFlow in the upcoming fiscal year.

Fiscal 2022 adjusted total operating expenses decreased by 3% due to lower headcount and stock-based compensation expense. At the end of the second quarter, we restructured our Calgary office, which resulted in lower headcount, incurring a one-time restructuring cost of $0.9 million before tax. Effective July 1, 2021, we also revised staff compensation, resulting in partial reinstatements of staff salaries that had been reduced since July 1, 2020. Executives' and directors' cash compensation remained reduced in fiscal 2022.

Adjusted other corporate costs increased in fiscal 2022 compared to last year primarily due to the write-off of receivables from Russian customers as a result of CMG's decision to suspend doing business in Russia. As we generated approximately 1% of annual revenue from Russia in the past few years, we do not expect our decision to have a significant impact on our ongoing operations.

Adjusted operating profit margin was at 38%, compared to 37% recorded last year, and adjusted EBITDA was 44% of total revenue, which is comparable to the last year's adjusted EBITDA. We are pleased with this fiscal year's achievement in profitability margins, particularly in light of last year's operating results being positively affected by the receipt of the wage-related ("CEWS") and rent-related ("CERS") COVID-related subsidies ($5.5 million in fiscal 2021 compared to $1.7 million in fiscal 2022), and our current fiscal year's results being negatively affected by a combination of the one-time restructuring charge and the write-off of Russian receivables.

Basic earnings per share was $0.23, compared to $0.25 last year, due to the factors noted in the preceding paragraph.

CMG continues to maintain a strong financial position and closed the year with $59.7 million of cash and no debt. We generated $0.27 per share of free cash flow, compared to $0.30 per share during the previous year. The cash flows in the previous year were positively affected by the CEWS and CERS subsidies received.

As we emerge from the global pandemic, oil prices continue to strengthen having a positive effect on our customers' cash flows, and as new opportunities are created by demand for energy transition projects, we look forward to fiscal 2023 with increasing optimism. With fiscal 2022 renewal season mostly behind us, our focus is on generating customer traction and growth for the upcoming fiscal year. We are also cautious as we continue to face complex market conditions with volatile energy prices, geopolitical challenges, ESG policy tightening, supply and demand imbalances, and increasing inflation. Despite these challenges, we are encouraged by the strength of our technology and our team. Our technology has never been more relevant and important as during these times. Retaining our employees, prioritizing product development, and maintaining global customer technical support continue to be instrumental to our ongoing success. In addition, our global diversification helps CMG mitigate the effects of world-wide instability.

On May 10, 2022, Ryan Schneider stepped down as President and Chief Executive Officer and as a director of CMG, in order to pursue other opportunities. Ryan made many contributions to CMG during his eleven-year tenure. CMG's Board of Directors, and I personally, thank Ryan for his leadership and commitment to CMG over the years.

Pramod Jain succeeded Ryan as Chief Executive Officer. Pramod is a seasoned executive with over 15 years of experience in the software industry with a demonstrated track record of leading multiple acquisition businesses and numerous turnarounds. We are excited for Pramod to join CMG. His history and skillset of leading diverse teams to international success will be of benefit to CMG and we look forward to the next chapter of growth and success under his leadership.

For further details on the results, please refer to CMG's Management Discussion and Analysis ("MD&A") 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 2 in the Company's MD&A for the three months and year ended March 31, 2022, 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:

Free Cash Flow Reconciliation to Funds Flow from Operations

	Fiscal 2021				**Fiscal 2022**			
($ thousands, unless otherwise stated)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	**Q4**
Funds flow from operations	4,703	7,991	7,322	6,267	4,811	4,904	7,022	**7,105**
Capital expenditures	(149)	(200)	(7)	(41)	(27)	(133)	(481)	**(62)**
Repayment of lease liabilities	(315)	(317)	(310)	(471)	(306)	(277)	(314)	**(459)**
Free cash flow	4,239	7,474	7,005	5,755	4,478	4,494	6,227	**6,584**
Weighted average shares – basic (thousands)	80,249	80,265	80,286	80,286	80,286	80,307	80,335	**80,335**
Free cash flow per share - basic	0.05	0.09	0.09	0.07	0.06	0.06	0.08	**0.08**

Years ended March 31, ($ thousands)	**2022**	2021	2020
Funds flow from operations	**23,842**	26,283	28,765
Capital expenditures	**(703)**	(397)	(990)
Repayment of lease liabilities	**(1,356)**	(1,413)	(1,228)
Free cash flow	**21,783**	24,473	26,547
Weighted average shares – basic (thousands)	**80,316**	80,272	80,240
Free cash flow per share - basic	**0.27**	0.30	0.33

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".

Consolidated Statements of Financial Position

(thousands of Canadian $)	**March 31, 2022**	March 31, 2021
Assets		
Current assets:		
Cash	**59,660**	49,068
Trade and other receivables	**17,507**	23,239
Prepaid expenses	**792**	820
Prepaid income taxes	**959**	8
	78,918	73,135
Property and equipment	**10,908**	12,025
Right-of-use assets	**33,113**	35,509
Deferred tax asset	**2,209**	1,822
Total assets	**125,148**	122,491
Liabilities and shareholders' equity		
Current liabilities:		
Trade payables and accrued liabilities	**6,819**	6,316
Income taxes payable	**13**	49
Deferred revenue	**30,454**	30,461
Lease liabilities	**1,626**	1,356
	38,912	38,182
Long-term stock-based compensation liability	**1,556**	1,281
Long-term lease liabilities	**37,962**	39,606
Total liabilities	**78,430**	79,069
Shareholders' equity:		
Share capital	**80,248**	80,051
Contributed surplus	**15,009**	14,251
Deficit	**(48,539)**	(50,880)
Total shareholders' equity	**46,718**	43,422
Total liabilities and shareholders' equity	**125,148**	122,491

Consolidated Statements of Operations and Comprehensive Income

Years ended March 31, (thousands of Canadian $ except per share amounts)	**2022**	2021
Revenue	**66,202**	67,363
Operating expenses		
Sales, marketing and professional services	**15,995**	15,690
Research and development	**16,705**	15,194
General and administrative	**7,422**	5,914
	40,122	36,798
Operating profit	**26,080**	30,565
Finance income	**440**	374
Finance costs	**(2,499)**	(4,017)
Profit before income and other taxes	**24,021**	26,922
Income and other taxes	**5,616**	6,732
Net and total comprehensive income	**18,405**	20,190
Earnings per share – basic and diluted	**0.23**	0.25
Dividend per share	**0.20**	0.20

Consolidated Statements of Cash Flows

Years ended March 31, (thousands of Canadian $)	**2022**	2021
Operating activities		
Net income	**18,405**	20,190
Adjustments for:		
Depreciation	**4,198**	4,271
Deferred income tax recovery	**(386)**	(831)
Stock-based compensation	**1,625**	2,653
Funds flow from operations	**23,842**	26,283
Movement in non-cash working capital:		
Trade and other receivables	**5,732**	3,038
Trade payables and accrued liabilities	**107**	(361)
Prepaid expenses	**28**	93
Income taxes payable	**(987)**	752
Deferred revenue	**(7)**	(3,377)
Decrease in non-cash working capital	**4,873**	145
Net cash provided by operating activities	**28,715**	26,428
Financing activities		
Repayment of lease liabilities	**(1,356)**	(1,413)
Dividends paid	**(16,064)**	(16,055)
Net cash used in financing activities	**(17,420)**	(17,468)
Investing activities		
Property and equipment additions	**(703)**	(397)
Increase in cash	**10,592**	8,563
Cash, beginning of period	**49,068**	40,505
Cash, end of period	**59,660**	49,068
Supplementary cash flow information		
Interest received	**440**	374
Interest paid	**2,004**	2,074
Income taxes paid	**6,113**	6,107

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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