Kinaxis Inc.

Condensed Consolidated Interim Financial Statements

for the three months ended March 31, 2022 and 2021

(In thousands of USD)

(Unaudited)

Kinaxis Inc.
Condensed Consolidated Interim Statements of Financial Position

(Expressed in thousands of USD)
(Unaudited)

		March 31, 2022		December 31, 2021
Assets				
Current assets:				
Cash and cash equivalents	$	221,983	$	203,220
Short-term investments		30,175		30,168
Trade and other receivables (note 4)		106,715		89,247
Prepaid expenses		11,649		8,502
		370,522		331,137
Non-current assets:				
Unbilled receivables (note 4)		1,371		512
Other receivables		1,051		1,096
Prepaid expenses		3,095		1,780
Investment tax credits recoverable		4,658		3,616
Deferred tax assets		2,311		6,000
Contract acquisition costs (note 5)		22,501		19,691
Property and equipment (note 6)		54,472		52,093
Right-of-use assets (note 7)		57,452		53,578
Intangible assets (note 8)		11,095		10,778
Goodwill (note 9)		42,420		39,988
		200,426		189,132
	$	570,948	$	520,269
Liabilities and Shareholders' Equity				
Current liabilities:				
Trade payables and accrued liabilities (note 10)	$	39,583	$	43,328
Deferred revenue (note 11)		121,183		99,239
Provisions		551		716
Lease obligations (note 12)		3,324		2,526
		164,641		145,809
Non-current liabilities:				
Lease obligations (note 12)		57,476		53,233
Deferred tax liabilities		2,340		9
		59,816		53,242
Shareholders' equity:				
Share capital (note 13)		205,626		195,414
Contributed surplus		57,658		54,739
Accumulated other comprehensive loss		(977)		(597)
Retained earnings		84,184		71,662
		346,491		321,218
	$	570,948	$	520,269

See accompanying notes to condensed consolidated interim financial statements.

On behalf of the Board of Directors:

(signed) John (Ian) Giffen Director *(signed) Elizabeth (Betsy) Rafael* Director

Kinaxis Inc.
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

(Expressed in thousands of USD, except share and per share data)
(Unaudited)

	Three months ended March 31,	
	2022	2021
Revenue (note 15)	$ 98,108	$ 57,728
Cost of revenue	28,466	20,506
Gross profit	69,642	37,222
Operating expenses:		
Selling and marketing	17,126	12,838
Research and development	18,157	13,682
General and administrative	13,184	11,542
	48,467	38,062
	21,175	(840)
Other expense:		
Foreign exchange loss	(1,165)	(468)
Net finance and other expense	(360)	(158)
	(1,525)	(626)
Profit (loss) before income taxes	19,650	(1,466)
Income tax expense	7,128	68
Profit (loss)	12,522	(1,534)
Other comprehensive loss		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences - foreign operations	(380)	(269)
Total comprehensive income (loss)	$ 12,142	$ (1,803)
Basic earnings (loss) per share	$ 0.46	$ (0.06)
Weighted average number of basic Common Shares (note 14)	27,481,560	27,109,227
Diluted earnings (loss) per share	$ 0.44	$ (0.06)
Weighted average number of diluted Common Shares (note 14)	28,466,916	27,109,227

See accompanying notes to condensed consolidated interim financial statements.

Kinaxis Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in thousands of USD)
(Unaudited)

	Share capital	Contributed surplus	Accumulated other comprehensive loss	Retained earnings	Total equity
Balance, December 31, 2020	$ 173,104	$ 35,846	$ (20)	$ 72,827	$ 281,757
Loss	—	—	—	(1,534)	(1,534)
Other comprehensive loss	—	—	(269)	—	(269)
Total comprehensive loss	—	—	(269)	(1,534)	(1,803)
Share options exercised	3,159	(899)	—	—	2,260
Share based payments	—	5,307	—	—	5,307
Total shareholder transactions	3,159	4,408	—	—	7,567
Balance, March 31, 2021	$ 176,263	$ 40,254	$ (289)	$ 71,293	$ 287,521
Balance, December 31, 2021	$ 195,414	$ 54,739	$ (597)	$ 71,662	$ 321,218
Profit	—	—	—	12,522	12,522
Other comprehensive loss	—	—	(380)	—	(380)
Total comprehensive income (loss)	—	—	(380)	12,522	12,142
Share options exercised	9,197	(2,020)	—	—	7,177
Restricted share units vested	598	(598)	—	—	—
Performance share units vested	417	(417)	—	—	—
Share based payments	—	5,954	—	—	5,954
Total shareholder transactions	10,212	2,919	—	—	13,131
Balance, March 31, 2022	$ 205,626	$ 57,658	$ (977)	$ 84,184	$ 346,491

See accompanying notes to condensed consolidated interim financial statements.

Kinaxis Inc.
Condensed Consolidated Interim Statements of Cash Flows

(Expressed in thousands of USD)
(Unaudited)

	Three months ended March 31,	
	2022	2021
Cash flows from operating activities:		
Profit (loss)	$ 12,522	$ (1,534)
Items not affecting cash:		
Depreciation of property and equipment and right-of-use assets (note 16)	5,331	3,909
Amortization of intangible assets (note 16)	583	561
Share-based payments (note 13)	6,003	5,307
Net finance expense	417	158
Income tax expense	7,128	68
Investment tax credits recoverable	(1,042)	(425)
Change in operating assets and liabilities (note 17)	(7,232)	12,940
Interest received	30	23
Interest paid	(454)	(184)
Income taxes paid	(1,293)	(174)
	21,993	20,649
Cash flows used in investing activities:		
Acquisition of business, net of cash acquired (note 3)	(3,028)	(800)
Purchase of property and equipment (note 6)	(6,279)	(4,441)
Purchase of short-term investments	(15,006)	(15,006)
Redemption of short-term investments	15,006	15,006
	(9,307)	(5,241)
Cash flows from financing activities:		
Payment of lease obligations (note 12)	(1,477)	(1,172)
Proceeds from exercise of stock options	7,177	2,260
	5,700	1,088
Increase in cash and cash equivalents	18,386	16,496
Cash and cash equivalents, beginning of period	203,220	182,958
Effects of exchange rates on cash and cash equivalents	377	(311)
Cash and cash equivalents, end of period	$ 221,983	$ 199,143

See accompanying notes to condensed consolidated interim financial statements.

1. Corporate information:

Kinaxis Inc. (“Kinaxis” or the "Company") is incorporated under the Canada Business Corporations Act and domiciled in Ontario, Canada. The address of the Company’s registered office is 3199 Palladium Drive, Ottawa, Ontario. The condensed consolidated interim financial statements of the Company as at March 31, 2022 and for the three months ended March 31, 2022 and 2021 comprise the Company and its subsidiaries.

Kinaxis is a leading provider of cloud-based subscription software that enables its customers to improve and accelerate analysis and decision-making across their supply chain operations. Kinaxis is a global enterprise with registered offices in the United States, Japan, Hong Kong, The Netherlands, South Korea, United Kingdom, Singapore, France, Ireland, Germany, India, and Canada.

2. Basis of preparation:

(a) Statement of compliance:

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). They do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2021.

The unaudited condensed consolidated financial statements were authorized for issue by the Board of Directors on May 5, 2022.

(b) Comparative figures:

Certain comparative figures have been adjusted for the year ended December 31, 2021. Prepaid expenses previously reported as current assets have been classified as non-current assets. This adjustment was not considered material and did not affect the Company’s consolidated revenue or consolidated profit.

(c) Significant accounting policies:

The accounting policies applied in these unaudited condensed consolidated interim financial statements are the same as those applied in the Company’s consolidated financial statements as at and for the year ending December 31, 2021.

(d) Use of estimates and judgments:

In preparing these unaudited condensed consolidated interim financial statements, Management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by Management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2021.

3. Business combinations:

On February 11, 2022, the Company acquired 100% of the outstanding shares of a supply chain solutions company in exchange for cash. The acquired company is a provider of algorithm-driven supply chain planning software modules. The operating results of the acquired company have been consolidated into the Company's results subsequent to the acquisition date. The Company incurred acquisition-related costs of $199 which have been recorded in general and administrative expense.

The purchase price consists of cash consideration of $3,144, adjusted for the acquired company's closing cash at the date of acquisition and subject to post-closing working capital adjustments, resulting in total consideration of $3,084.

The following table presents the preliminary purchase price allocation at the acquisition date:

Assets acquired and liabilities assumed:		
Cash and cash equivalents	$	56
Trade and other receivables		423
Right-of-use assets		82
Intangible assets:		
Technology		550
Customer relationships		350
Trade payables and accrued liabilities		(81)
Deferred revenue		(407)
Lease obligation		(82)
Deferred tax liability		(239)
		652
Goodwill		2,432
Total consideration	$	3,084

The trade and other receivables include gross contractual amounts of $381, of which $250 have been fully collected.

The goodwill is primarily attributable to the expected synergies that will result from the value of integrating the acquired company's intellectual property to the Company's future product direction, and the relevant industry and technical knowledge of the assembled workforce. The goodwill is not deductible for tax purposes.

Since the date of acquisition, the acquisition had no significant impact on revenue and net earnings for the three months ended March 31, 2022. Pro forma results of operations for this acquisition have not been presented because they are not material to our consolidated results of operations.

4. Trade and other receivables:

	March 31, 2022	December 31, 2021
Trade accounts receivable	$ 76,511	$ 71,118
Unbilled receivables	28,520	15,413
Taxes receivable	160	217
Other	1,623	2,499
	106,814	89,247
Loss allowance	(99)	—
	$ 106,715	$ 89,247

There were no trade accounts receivable written off in the three months ended March 31, 2022 (year ended December 31, 2021 – $nil).

The following table presents changes in unbilled receivables:

	Three months ended March 31,	
	2022	2021
Balance, beginning of period	$ 15,925	$ 15,813
Amounts transferred to trade accounts receivable	(6,750)	(4,970)
Amounts written off	—	(288)
Revenue in excess of billings	20,716	4,226
Balance, end of period	$ 29,891	$ 14,781

The following table presents current and non-current unbilled receivables:

	March 31, 2022	December 31, 2021
Current	$ 28,520	$ 15,413
Non-current	1,371	512

5. Contract acquisition costs:

	Three months ended March 31,	
	2022	2021
Balance, beginning of period	$ 19,691	$ 16,484
Additions	4,719	2,188
Amortization	(1,780)	(1,448)
Effects of movements in exchange rates	(129)	(72)
Balance, end of period	$ 22,501	$ 17,152

Amortization of contract acquisition costs is recorded in selling and marketing expense.

6. Property and equipment:

Cost	December 31, 2021	Additions	Dispositions	Effects of exchange rates	March 31, 2022
Land	$ 18	$ —	$ —	$ —	$ 18
Computer equipment	67,920	1,772	(10,457)	(476)	58,759
Computer software	3,735	597	(505)	(11)	3,816
Office furniture and equipment	3,731	676	(83)	(13)	4,311
Leasehold improvements	23,657	3,234	(2,964)	(71)	23,856
Total cost	$ 99,061	$ 6,279	$ (14,009)	$ (571)	$ 90,760

Accumulated depreciation	December 31, 2021	Depreciation	Dispositions	Effects of exchange rates	March 31, 2022
Computer equipment	$ 38,411	$ 2,717	$ (10,454)	$ (261)	$ 30,413
Computer software	2,954	162	(505)	(12)	2,599
Office furniture and equipment	900	287	(83)	(7)	1,097
Leasehold improvements	4,703	445	(2,938)	(31)	2,179
Total accumulated depreciation	$ 46,968	$ 3,611	$ (13,980)	$ (311)	$ 36,288

6. Property and equipment (continued):

Carrying value	March 31, 2022	December 31, 2021
Land	$ 18	$ 18
Computer equipment	28,346	29,509
Computer software	1,217	781
Office furniture and equipment	3,214	2,831
Leasehold improvements	21,677	18,954
Total property and equipment	$ 54,472	$ 52,093

There were no proceeds associated with asset dispositions in the three months ended March 31, 2022 (year ended December 31, 2021 – no proceeds associated with asset dispositions).

7. Right-of-use assets:

	December 31, 2021	Additions	Depreciation	Effects of exchange rates	March 31, 2022
Offices	$ 45,236	$ 5,841	$ (920)	$ (148)	$ 50,009
Data centres	8,342	—	(800)	(99)	7,443
Total right-of-use assets	$ 53,578	$ 5,841	$ (1,720)	$ (247)	$ 57,452

8. Intangible assets:

The estimated useful life of customer relationships is three to six years and the estimated useful life of technology is four to seven years.

	December 31, 2021	Additions	Amortization	March 31, 2022
Customer relationships	$ 2,370	$ 350	$ (189)	$ 2,531
Technology	8,408	550	(394)	8,564
Total intangible assets	$ 10,778	$ 900	$ (583)	$ 11,095

9. Goodwill:

	Three months ended March 31,	
	2022	2021
Balance, beginning of period	$ 39,988	$ 39,988
Acquisition (note 3)	2,432	—
Balance, end of period	$ 42,420	$ 39,988

10. Trade payables and accrued liabilities:

	March 31, 2022	December 31, 2021
Trade accounts payable	$ 11,649	$ 10,584
Accrued liabilities	21,482	26,299
Taxes payable	6,452	6,445
	$ 39,583	$ 43,328

11. Deferred revenue:

	Three months ended March 31,	
	2022	2021
Balance, beginning of period	$ 99,239	$ 94,275
Deferred revenue from acquisition (note 3)	407	—
Recognition of deferred revenue	(38,658)	(34,875)
Amounts invoiced and revenue deferred	60,195	38,782
Balance, end of period	$ 121,183	$ 98,182

12. Lease obligations:

The Company's leases are for office space and data centres with lease terms ranging from 2 to 20 years. These leases contain no renewal options or a renewal option for one, two or five years. The Company has included renewal options in the lease term when it is reasonably certain to exercise the renewal option.

	March 31, 2022	December 31, 2021
Current	$ 3,324	$ 2,526
Non-current	57,476	53,233
Total lease obligations	$ 60,800	$ 55,759

The following table presents the contractual undiscounted cash flows for lease obligations as at March 31, 2022:

Less than one year	$ 5,239
One to five years	22,332
More than five years	49,022
Total undiscounted lease obligations	$ 76,593

The following table presents payments for lease obligations:

	Three months ended March 31, 2022	2021
Principal payments	$ 1,477	$ 1,172
Interest payments	454	184
Variable lease payments	342	362
Short-term lease payments	121	108
Total cash outflow for leases	$ 2,394	$ 1,826

13. Share capital:

Authorized

The Company is authorized to issue an unlimited number of Common Shares.

Issued Common Shares

	Three months ended March 31, 2022		Three months ended March 31, 2021	
	Shares	Amount	Shares	Amount
Shares outstanding, beginning of period	27,462,834	$ 195,414	27,085,922	$ 173,104
Shares issued from exercised options	112,789	9,197	126,396	3,159
Shares issued from vested RSUs	6,372	598	—	—
Shares issued from vested PSUs	3,776	417	—	—
Shares outstanding, end of period	27,585,771	$ 205,626	27,212,318	$ 176,263

Stock option plans

The Company has outstanding stock options issued under its 2012 Stock Option Plan. No further options may be granted under the 2012 plan. In June 2017, the Company adopted a new Canadian Resident Stock Option Plan and a new Non-Canadian Resident Stock Option Plan ("the Plans"). Stock options granted under the Plans have an exercise price equal to the stock's TSX price at the date of grant and the maximum term of these options is five years. Options are granted periodically and typically vest over four years.

In June 2021, Kinaxis shareholders voted to approve an amendment to the Plans to increase the maximum number of shares reserved for issue by 500,000. At March 31, 2022, there were 746,094 stock options available for grant under the Plans.

13. Share capital (continued):

The following table presents changes in stock options outstanding:

	Three months ended March 31, 2022		Year ended December 31, 2021	
	Shares	Weighted average exercise price	Shares	Weighted average exercise price
Options outstanding, beginning of period	2,143,375	$ 76.56	2,228,456	$ 68.82
Granted	40,715	115.62	275,973	108.61
Exercised	(112,789)	63.61	(291,680)	36.89
Forfeited	(1,500)	88.97	(69,374)	126.21
Options outstanding, end of period	2,069,801	$ 79.29	2,143,375	$ 76.56
Options exercisable, end of period	1,303,048	$ 63.16	1,150,389	$ 58.44

The following table presents information about stock options outstanding at March 31, 2022:

	Options outstanding			Options exercisable	
Range of exercise prices	Number outstanding	Weighted average remaining contractual life	Weighted average exercise price	Number exercisable	Weighted average exercise price
$1 to $30	23,500	1.95	$ 11.17	23,500	$ 11.17
$30 to $60	568,589	3.05	43.76	539,589	43.18
$60 to $90	934,649	2.44	72.11	628,644	69.60
$90 to $120	301,063	4.11	108.17	53,690	106.05
$120 to $150	47,000	3.19	137.32	11,000	137.05
$150 to $180	195,000	3.42	167.00	46,625	166.97
	2,069,801	2.95	$ 79.29	1,303,048	$ 63.16

13. Share capital (continued):

The per share weighted-average fair value of stock options granted during the three months ended March 31, 2022 was $37.21 (year ended December 31, 2021 – $32.77) on the date of grant using the Black Scholes option-pricing model with the following weighted-average assumptions:

	Three months ended March 31, 2022	Year ended December 31, 2021
Expected dividend yield	0%	0%
Risk-free interest rate	1.63%	0.53%
Expected life	3 to 5 years	3 to 5 years
Estimated volatility	40%	39%

Share Unit Plan

In June 2021, Kinaxis shareholders voted to approve an amendment to the Company's Share Unit Plan to increase the maximum number of shares reserved for issue by 500,000. At March 31, 2022, there were 382,040 share units available for grant under the Share Unit Plan.

The following table presents changes in share units outstanding:

	Three months ended March 31, 2022			Year ended December 31, 2021		
	RSU	PSU	DSU	RSU	PSU	DSU
Units outstanding, beginning of period	96,583	31,640	65,441	78,305	—	55,928
Granted	116,512	52,209	9,954	106,001	31,640	9,513
Exercised	(6,372)	(3,776)	—	(85,232)	—	—
Forfeited	—	—	—	(2,491)	—	—
Units outstanding, end of period	206,723	80,073	75,395	96,583	31,640	65,441

Each restricted share unit (RSU) entitles the participant to receive one Common Share. The RSUs generally vest over time in three equal annual tranches. The weighted-average grant date fair value of the RSUs granted during the three months ended March 31, 2022 was $116.07 per unit (year ended December 31, 2021 – $118.49) using the fair value of a Common Share at time of grant.

Each performance share unit ("PSU") entitles the participant to receive up to two Common Shares based on the Company's total shareholder return relative to the total shareholder return of the constituents of the S&P Software & Services Select Industry Index over two- and three-year vesting periods. The weighted-average grant date fair value of the PSUs granted during the three months ended March 31, 2022 was $164.68 per unit (December 31, 2021 – $129.74). The PSUs were valued using a Monte Carlo pricing model based on the fair value of a Common Share at time of grant and the following assumptions:

13. Share capital (continued):

	Three months ended March 31, 2022	Year ended December 31, 2021
Expected dividend yield	0%	0%
Risk-free interest rate	1.40%	0.51%
Performance measurement period	2 to 3 years	2 to 3 years
Estimated volatility	41%	41%
Correlation coefficient to Industry Index	0.53	0.52

Each deferred share unit (DSU) entitles the participant to receive one Common Share. The DSUs vest immediately as the participants are entitled to the shares upon termination of their service. The fair value of the DSUs granted during the three months ended March 31, 2022 was $116.07 per unit (year ended December 31, 2021 – $110.36) using the fair value of a Common Share at time of grant.

Share-based payments expense

The Company estimates a forfeiture rate, based on an analysis of actual forfeitures, to determine share-based payments expense. The following table presents share-based payments expense:

	Three months ended March 31,	
	2022	2021
Stock options	$ 2,269	$ 2,975
Restricted share units	1,940	1,154
Performance share units	639	128
Deferred share units	1,155	1,050
	$ 6,003	$ 5,307

The following table presents share-based payments expense by function:

	Three months ended March 31,	
	2022	2021
Cost of revenue	$ 532	$ 457
Selling and marketing	1,096	1,032
Research and development	1,444	988
General and administrative	2,931	2,830
	$ 6,003	$ 5,307

14. Earnings per share:

The following table summarizes the calculation of the weighted average number of basic and diluted common shares:

	Three months ended March 31,	
	2022	2021
Issued Common Shares at beginning of period	27,462,834	27,085,922
Effect of shares issued from exercise of options	8,578	23,305
Effect of shares issued from vesting of restricted share units	6,372	—
Effect of shares issued from vesting of performance share units	3,776	—
Weighted average number of basic Common Shares	27,481,560	27,109,227
Effect of share options on issue	819,552	—
Effect of share units on issue	165,804	—
Weighted average number of diluted Common Shares	28,466,916	27,109,227

At March 31, 2022, 325,715 options (March 31, 2021 – all options and units outstanding) were excluded from the weighted average number of diluted common shares as their effect would have been anti-dilutive.

15. Revenue:

The following table presents revenue of the Company:

	Three months ended March 31,	
	2022	2021
SaaS	$ 49,320	$ 40,576
Subscription term license	23,474	2,059
Professional services	21,458	12,027
Maintenance and support	3,856	3,066
	$ 98,108	$ 57,728

15. Revenue (continued):

The following table presents revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at March 31, 2022:

	Remainder of 2022	2023	2024 and thereafter	Total
SaaS	$ 145,188	$ 151,636	$ 148,408	$ 445,232
Maintenance and support	10,767	10,524	12,256	33,547
Subscription term license	318	—	30	348
	$ 156,273	$ 162,160	$ 160,694	$ 479,127

16. Depreciation and amortization:

The following table presents depreciation expense of property and equipment and right-of-use assets by function:

	Three months ended March 31,	
	2022	2021
Cost of revenue	$ 2,853	$ 2,235
Selling and marketing	1	1
Research and development	721	820
General and administrative	1,756	853
	$ 5,331	$ 3,909

The following table presents amortization expense of intangible assets by function:

	Three months ended March 31,	
	2022	2021
Cost of revenue	$ 394	$ 382
General and administrative	189	179
	$ 583	$ 561

17. Statement of cash flows:

The following table presents changes in operating assets and liabilities:

	Three months ended March 31,	
	2022	2021
Trade and other receivables	$ (18,993)	$ 12,601
Prepaid expenses	(4,489)	(905)
Contract acquisition costs	(2,972)	(723)
Trade payables and accrued liabilities	(3,377)	(2,904)
Deferred revenue	22,764	4,871
Provisions	(165)	—
	$ (7,232)	$ 12,940

18. Financial instruments:

(a) Fair value of financial instruments:

The carrying amounts of short-term investments, trade and other receivables, unbilled receivables, and trade payables and accrued liabilities approximate fair value due to the short-term maturity of these instruments and are considered to be Level 1 financial instruments. Short-term investments consist of term deposits and guaranteed income certificates held with Schedule 1 Canadian banks for maturity terms of three to six months from the date of acquisition.

(b) Credit risk:

The following table presents maximum exposure to credit risk for trade accounts receivable by geographic region:

	March 31, 2022	December 31, 2021
United States	$ 44,756	$ 41,031
Europe	22,072	20,153
Asia	8,316	4,658
Canada	1,268	5,276
	$ 76,412	$ 71,118

18. Financial instruments (continued):

The following table presents aging of trade accounts receivable:

	March 31, 2022	December 31, 2021
Current	$ 37,022	$ 57,431
Past due:		
0 – 30 days	24,420	8,351
31 – 60 days	6,737	1,040
Greater than 60 days	8,233	4,296
	$ 76,412	$ 71,118

At March 31, 2022, one customer individually accounted for greater than 10% of total trade accounts receivable (December 31, 2021 – one customer). For the three months ended March 31, 2022, one customer individually accounted for greater than 10% of revenue (three months ended March 31, 2021 – no customers).

19. Segmented information:

The Company's Chief Executive Officer ("CEO") has been identified as the chief operating decision maker. The CEO evaluates the performance of the Company and allocates resources based on the information provided by the Company's internal management system at a consolidated level. The Company has determined that it has only one operating segment: the design, development, marketing and sale of supply chain planning software and solutions.

Geographic information

The following table presents external revenue on a geographic basis:

	Three months ended March 31, 2022	2021
United States	$ 63,775	$ 35,880
Europe	23,402	11,590
Asia	8,751	7,985
Canada	2,180	2,273
	$ 98,108	$ 57,728

19. Segmented information (continued):

The following table presents property and equipment on a geographic basis:

	March 31, 2022	December 31, 2021
Canada	$ 36,670	$ 34,789
United States	10,716	10,486
Asia	4,525	3,915
Europe	2,561	2,903
	$ 54,472	$ 52,093

The following table presents right-of-use assets on a geographic basis:

	March 31, 2022	December 31, 2021
Canada	$ 45,050	$ 45,955
Asia	8,829	3,713
United States	2,929	3,155
Europe	644	755
	$ 57,452	$ 53,578

20. Contingencies:

The Company is involved in litigation with a competitor, whereby the competitor has made certain allegations concerning patent infringement. The Company will accrue a liability if the Company determines that it is more likely than not that a present obligation exists that will result in an outflow of resources and the amount of the obligation can be reliably estimated. Significant judgment is required in both the determination of probability and the determination as to whether an amount of an obligation is reliably estimable. The Company has assessed that its defense against these allegations will more likely than not be successful and a present obligation does not exist. At March 31, 2022, the Company has not recorded a liability regarding these allegations.

The Company is required to apply judgment with respect to any potential loss or range of loss in connection with litigation. The outcome of litigation and claims is intrinsically subject to considerable uncertainty.