

The Adaptive ERP for Manufacturing

Safe Harbor

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to significant_risks and uncertainties. Actual results and events may differ materially from those set forth in these forward-looking statements. These risks and uncertainties are detailed in QAD's SEC filings, including its latest Annual Report on Form 10-K and in particular the section titled "Risk Factors" therein and other periodic reports subsequently filed by QAD with the Securities and Exchange Commission.

This presentation contains references to certain financial measures that have been adjusted to exclude certain expenses and other specified items. These financial measures differ from comparable measures calculated and presented in accordance with accounting principles generally accepted in the United States of America ("GAAP") in that they exclude unusual or non-recurring charges, losses, credits or gains. Management believes that financial presentations excluding the impact of these items provide useful supplemental information that is important to a proper understanding of the Company's results. These presentations should not be viewed as a substitute for results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP financial measures presented by other companies.

This presentation is intended to outline QAD's general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, functional capabilities, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functional capabilities described for QAD's products remains at the sole discretion of QAD.

QAD undertakes no obligation to update forward-looking statements.



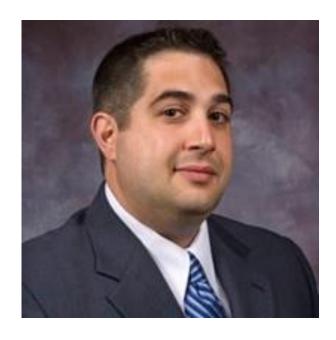
Introduction



Tom Roberts

VP- Automotive Business Development

QAD



Michael Kolias
Director, Life Sciences
QAD

Where Did I Go Wrong?





Where Did I Go Wrong?







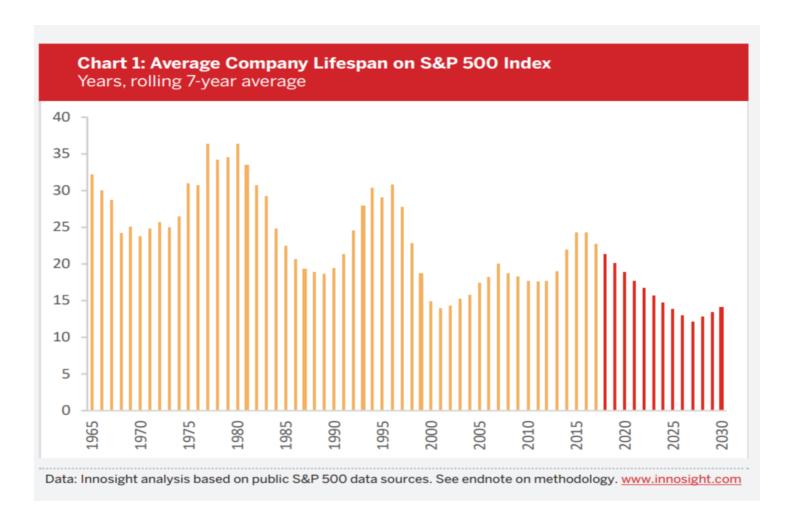








The All Important "S" – Existing or Exiting?



By 2027, the average company lifespan on the S&P 500 will be less than 12 years



Will Your Company Be Here in 10 Years?

"My company is ready for disruption"

"We will deal with disruption when it gets here"

"We will follow the lead of the customer"

"We don't have a plan"

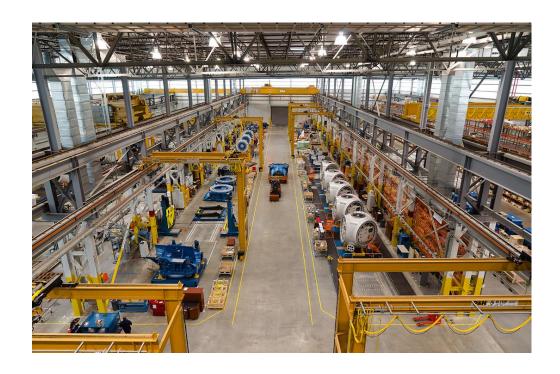


We Will Not Go Quietly

- Exploit Advanced Technology
- Squeeze Out Waste and Cost
- Execute M&A Initiatives with Speed and Intent

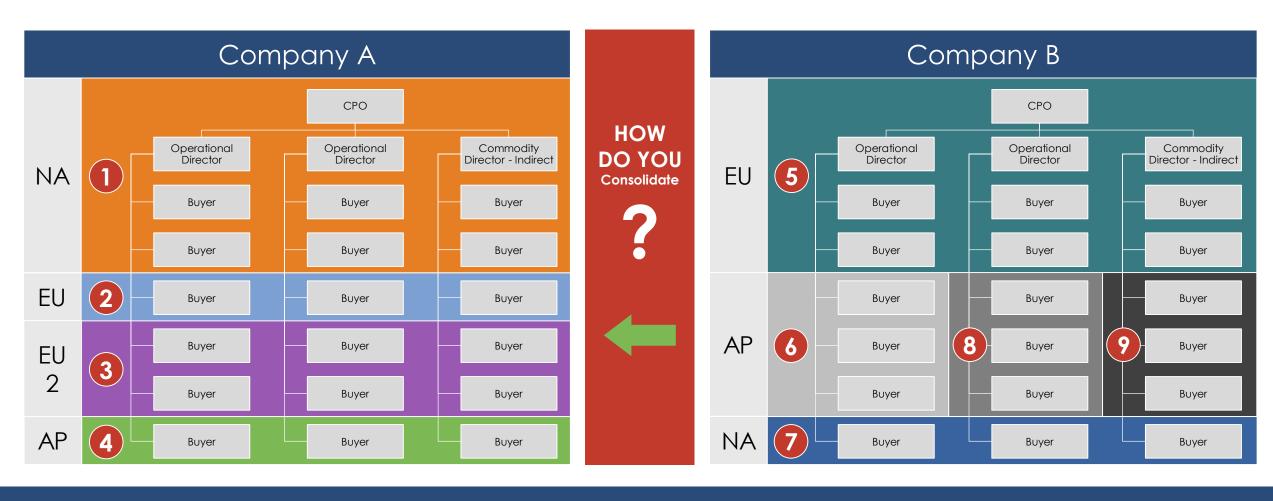
Advanced Tech driving change – The Rise of 5G LTE

- Only companies that have moved to cloud operations will be able to fully benefit from the technology
- Manufacturing Plants with cloud based ERP and other systems may longer need physical network gear or servers; may also no longer need server rooms and IT closets
- 5G may greatly reduce or even completely remove the need for full time plant IT employees
- Companies that can evolve their system landscape with speed in the next 5 years will be disruptors



Will manufacturers need data centers and physical networks in 3-5 years?

Inorganic Growth Can Drive Waste



Company A merges with / acquires Company B, with immediate blind task reduction in overall spend and FTEs without a planned process roadmap.

The Best Positioned Companies

- Speed to Market
 - Leverage advanced technology
 - Identify Tools that enable your business
- Adaptive Environments
 - Change is the only constant
 - Do your tools provide the flexibility your business needs



- M&A can lead to waste and bloat your company's landscape
- Tools that scale with your expanding business



But, What If...?



Owning the Disruption

The Best Practices for Absorbing Technological Change

Single Code set/Process Template/Master Data

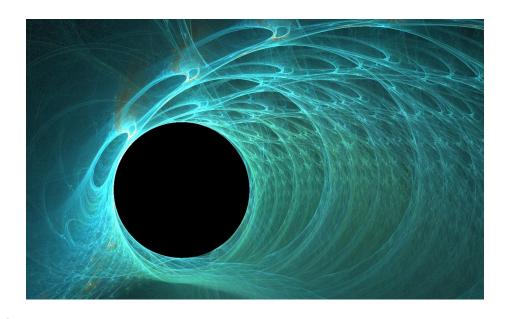
High System Adaptability

Cloud

Embedded Industry 4.0 technologies

Technology ready workforce today and tomorrow

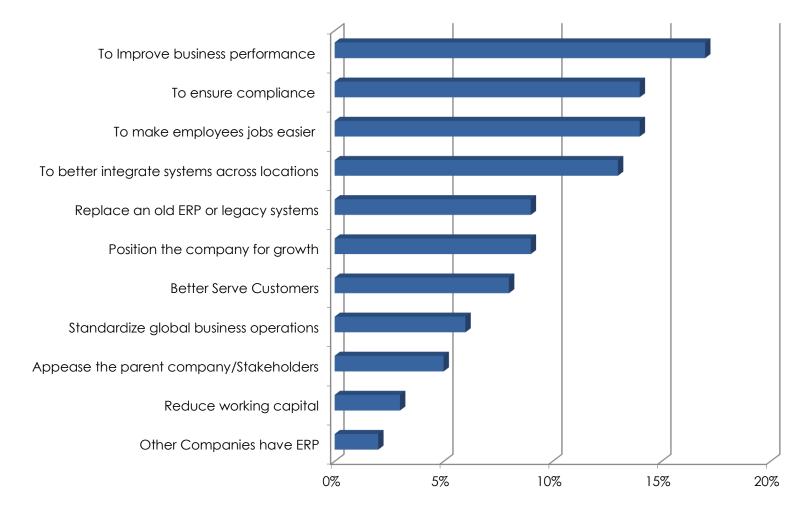
Swiftly acting today to absorb the change of tomorrow



Companies moving now to transform their operations have a massive competitive and cost advantage over the unprepared



Why Are Companies Implementing ERP?

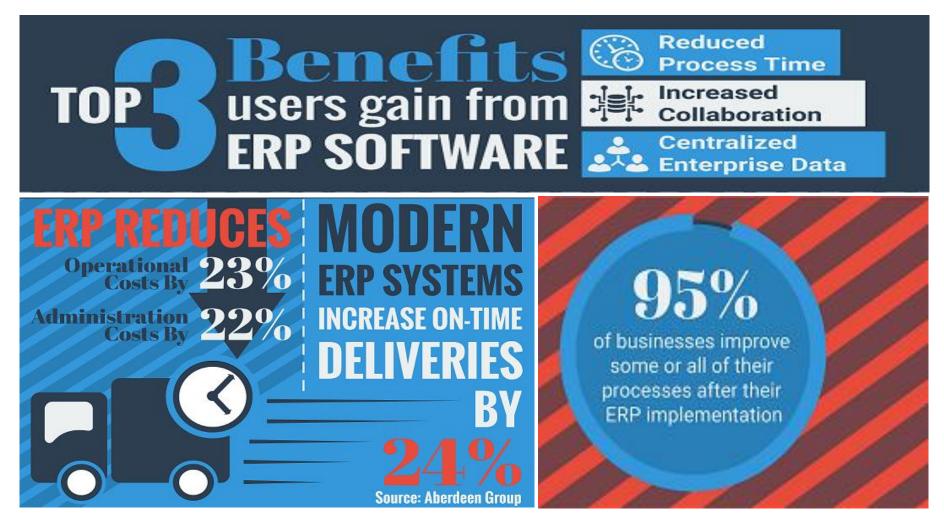


Source: Panorama Consulting Solutions, 2017



The Adaptive ERP for Manufacturing

Benefits of an ERP

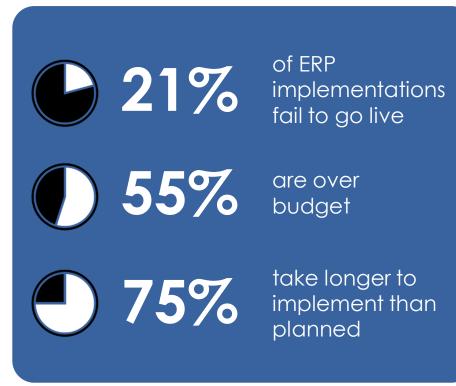


Source: DATIX Inc., 2019



What if you get it wrong?

of ERP implementations deliver less than half of the expected benefits





Source: Panorama Consulting Solutions, 2015



The Adaptive ERP for Manufacturing

Pushing back against the Failure rates

- Select the right ERP for your business
 - Is the ERP right for your current business and can it scale to the changing industry
- Know your solution provider
 - What are the success rates from the solution provider
- How does implementation look for your global business
 - TCO of first plant through last plant
 - Can you measure your implementation in months or years?



Why should you focus on Rapid, Agile, Effective

Change is the only constant... and it is accelerating

Meeting the needs of the current business environment is not sufficient

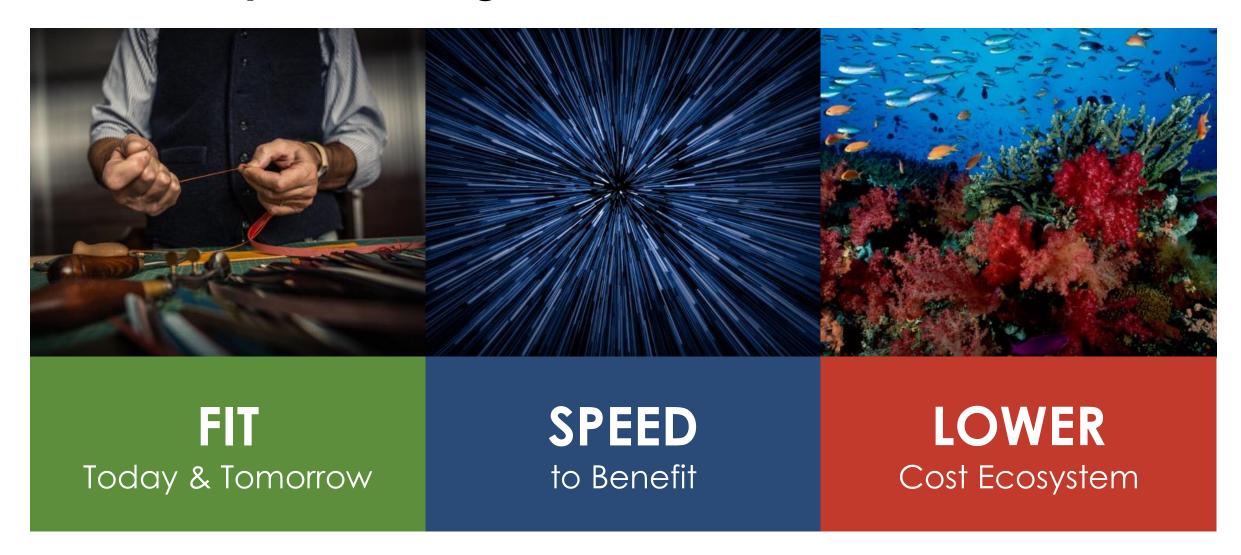
ADAPTIBILITY is the new competitive advantage*

To be **effective**, manufacturers need an **agile** ERP platform that enables **rapid** response to change

*Credit: Martin Reeves & Mike Deimler - Boston Consulting Group



A New Way of Thinking



Question and Answer

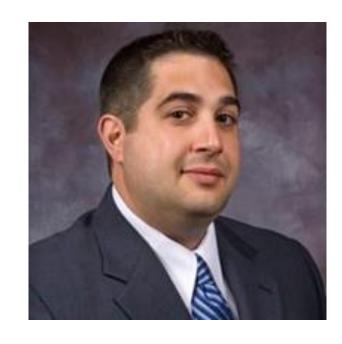


Tom Roberts

VP, Automotive Business Development

QAD

t6r@qad.com



Michael Kolias
Director, Life Sciences
QAD
m7y@qad.com



www.qad.com

© QAD Inc