

LRAD Corporation and Subsidiary
Condensed Consolidated Balance Sheets
(000's omitted)

	September 30,	
	(unaudited) 2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 18,819	\$ 11,063
Short-term marketable securities	3,695	3,592
Restricted cash	263	404
Accounts receivable, net	3,644	2,786
Inventories, net	5,835	6,734
Prepaid expenses and other	1,782	3,091
Total current assets	34,038	27,670
Long-term marketable securities	1,385	1,201
Long-term restricted cash	435	340
Deferred tax assets, net	5,387	5,957
Property and equipment, net	2,269	2,449
Goodwill	2,306	2,446
Intangible assets, net	1,176	1,557
Prepaid expenses and other - noncurrent	124	241
Total assets	\$ 47,120	\$ 41,861
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 860	\$ 3,083
Accrued liabilities	8,134	3,200
Notes payable, current portion	280	297
Total current liabilities	9,274	6,580
Notes payable, less current portion	33	53
Other liabilities, noncurrent	2,432	1,739
Total liabilities	11,739	8,372
Total stockholders' equity	35,381	33,489
Total liabilities and stockholders' equity	\$ 47,120	\$ 41,861

LRAD Corporation and Subsidiary
Condensed Consolidated Statements of Operations
(000's omitted except share and per share amounts)

	Three months ended		Years ended	
	September 30,		September 30,	
	2019	2018	2019	2018
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
Revenues	\$ 7,746	\$ 3,296	\$ 36,979	\$ 26,307
Cost of revenues	4,171	2,248	18,523	13,567
Gross profit	<u>3,575</u>	<u>1,048</u>	<u>18,456</u>	<u>12,740</u>
Operating expenses:				
Selling, general and administrative	2,853	3,082	10,792	10,693
Research and development	997	859	4,528	3,523
Total operating expenses	<u>3,850</u>	<u>3,941</u>	<u>15,320</u>	<u>14,216</u>
(Loss) income from operations	-275	-2,893	3,136	-1,476
Other income and expense, net	94	33	221	107
(Loss) income before income taxes	-181	-2,860	3,357	-1,369
Income tax (benefit) expense	(103)	(418)	572	2,376
Net (loss) income	<u>\$ (78)</u>	<u>\$ (2,442)</u>	<u>\$ 2,785</u>	<u>\$ (3,745)</u>
Net (loss) income per common share				
Basic	<u>\$ (0.00)</u>	<u>\$ (0.07)</u>	<u>\$ 0.09</u>	<u>\$ (0.12)</u>
Diluted	<u>\$ (0.00)</u>	<u>\$ (0.07)</u>	<u>\$ 0.08</u>	<u>\$ (0.12)</u>
Weighted average common shares outstanding:				
Basic	<u>32,698,966</u>	<u>33,020,947</u>	<u>32,689,028</u>	<u>32,492,645</u>