

Supplemental Reconciliation of Restatement Adjustments and Revisions - March 16, 2020: Income Statement

	Three months ended September 30, 2018				Nine months ended September 30, 2018				Year ended December 31, 2018				Three months ended March 31, 2019			
	[1]		[2]		[1]		[2]		[1]		[2]		[1]		[2]	
	As Originally Reported	Corrections as reported in Q3 10-Q	Additional corrections in 10-K	[3]	As Originally Reported	Corrections as reported in Q3 10-Q	Additional corrections in 10-K	[3]	As Originally Reported	Corrections as reported in Q3 10-Q	Additional corrections in 10-K	[3]	As Originally Reported	Corrections as reported in Q3 10-Q	Additional corrections in 10-K	[3]
Sales	\$ 3,672	-	-	3,672	\$ 10,760	-	-	10,760	\$ 16,686	-	-	16,686	\$ 5,823	(194)	-	5,629
Cost of sales	1,151	-	-	1,151	3,490	-	-	3,490	5,893	-	-	5,893	2,103	-	(113)	1,990
Gross profit	2,521	-	-	2,521	7,270	-	-	7,270	10,793	-	-	10,793	3,720	(194)	113	3,639
Other costs and expenses:																
Research and development	613	-	-	613	1,890	-	-	1,890	2,469	-	-	2,469	810	-	-	810
Professional services	628	-	-	628	1,815	-	-	1,815	3,072	34	-	3,106	1,791	336	18	2,145
Salaries and related costs	2,119	-	51	2,170	5,734	-	51	5,785	8,673	548	51	9,272	3,221	117	147	3,485
Selling, general and administrative	1,957	-	-	1,957	6,280	-	-	6,280	9,438	-	-	9,438	3,101	(77)	(39)	2,985
Severance and related expense	-	-	-	-	-	-	-	-	741	-	-	741	-	-	-	-
Total other costs and expenses	5,317	-	51	5,368	15,719	-	51	15,770	24,393	582	71	25,026	8,923	376	126	9,425
Loss from operations	(2,796)	-	(51)	(2,847)	(8,449)	-	(51)	(8,500)	(13,600)	(582)	(51)	(14,233)	(5,203)	(570)	(13)	(5,786)
Interest income	135	-	-	135	135	-	-	135	616	-	-	616	423	-	-	423
Interest expense	(30)	-	-	(30)	(102)	-	-	(102)	(104)	-	-	(104)	-	-	-	-
Other losses, net	(155)	-	(713)	(868)	(155)	-	(713)	(868)	(203)	-	(713)	(916)	(25)	-	(300)	(325)
Change in fair value of derivative liabilities	-	-	-	-	20	-	-	20	20	-	-	20	-	-	-	-
Total other income (expense), net	(50)	-	(713)	(763)	(102)	-	(713)	(815)	329	-	(713)	(384)	398	-	(300)	98
Loss from continuing operations before income taxes	(2,846)	-	(764)	(3,610)	(8,551)	-	(764)	(9,315)	(13,271)	(582)	(764)	(14,617)	(4,805)	(570)	(313)	(5,688)
Income tax expense (benefit)	(2,408)	-	-	(2,408)	(2,384)	-	-	(2,384)	(3,777)	-	-	(3,777)	(124)	-	-	(124)
Net loss from continuing operations	(438)	-	(764)	(1,202)	(6,167)	-	(764)	(6,931)	(9,494)	(582)	(764)	(10,840)	(4,681)	(570)	(313)	(5,564)
Income from discontinued operations, net of tax	540	-	-	540	5,062	-	-	5,062	5,099	-	-	5,099	-	-	-	-
Gain on sale of the Core Business, net of tax	69,072	-	-	69,072	69,072	-	-	69,072	68,404	-	-	68,404	-	-	-	-
Total income from discontinued operations, net of tax	69,612	-	-	69,612	74,134	-	-	74,134	73,503	-	-	73,503	-	-	-	-
Net income (loss)	\$ 69,174	-	(764)	68,410	\$ 67,967	-	(764)	67,203	\$ 64,009	(582)	(764)	62,663	\$ (4,681)	(570)	(313)	(5,564)
EPS from continuing operations:																
Basic and diluted	(0.01)	-	(0.02)	(0.04)	(0.19)	-	(0.02)	(0.21)	(0.29)	(0.02)	(0.02)	(0.33)	(0.14)	(0.02)	(0.01)	(0.17)
EPS from discontinued operations:																
Basic	2.09	-	-	2.09	2.25	-	-	2.25	2.21	-	-	2.21	-	-	-	-
Diluted	1.99	-	-	1.99	2.19	-	-	2.19	2.14	-	-	2.14	-	-	-	-
EPS from total operations:																
Basic	2.08	-	(0.02)	2.06	2.06	-	(0.02)	2.04	1.93	(0.02)	(0.02)	1.89	(0.14)	(0.02)	(0.01)	(0.17)
Diluted	1.98	-	(0.02)	1.96	2.00	-	(0.02)	1.98	1.86	(0.02)	(0.02)	1.82	(0.14)	(0.02)	(0.01)	(0.17)
Shares																
Basic	33,275	33,275	33,275	33,275	33,014	33,014	33,014	33,014	33,185	33,185	33,185	33,185	33,343	33,343	33,343	33,343
Diluted	34,934	34,934	34,934	34,934	33,952	33,952	33,952	33,952	34,366	34,366	34,366	34,366	33,343	33,343	33,343	33,343
	Three months ended June 30, 2019				Six months ended June 30, 2019				Three months ended September 30, 2019				Nine months ended September 30, 2019			
	[1]		[2]		[1]		[2]		[1]		[2]		[1]		[2]	
	As Originally Reported	Corrections as reported in Q3 10-Q	Additional corrections in 10-K	[4]	As Originally Reported	Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[4]	As Originally Reported	Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[4]	As Originally Reported	Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[4]
Sales	\$ 6,568	-	-	6,568	\$ 12,391	(194)	-	12,197	\$ 7,575	-	-	7,575	\$ 19,772	-	-	19,772
Cost of sales	2,096	-	(159)	1,937	4,199	-	(272)	3,927	2,558	-	(277)	2,281	6,757	-	(549)	6,208
Gross profit	4,472	-	159	4,631	8,192	(194)	272	8,270	5,017	-	277	5,294	13,015	-	549	13,564
Other costs and expenses:																
Research and development	888	-	-	888	1,698	-	-	1,698	936	-	80	1,016	2,634	-	80	2,714
Professional services	1,633	-	28	1,661	3,424	336	46	3,806	1,996	-	43	2,039	5,756	-	89	5,845
Salaries and related costs	3,333	-	177	3,510	6,554	117	324	6,995	3,020	-	139	3,159	9,691	-	463	10,154
Selling, general and administrative	3,083	-	(46)	3,037	6,184	(77)	(85)	6,022	3,762	-	15	3,777	9,869	-	(70)	9,799
Severance and related expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other costs and expenses	8,937	-	159	9,096	17,860	376	285	18,521	9,714	-	277	9,991	27,950	-	562	28,512
Loss from operations	(4,465)	-	-	(4,465)	(9,668)	(570)	(13)	(10,251)	(4,697)	-	-	(4,697)	(14,935)	-	(13)	(14,948)
Interest income	403	-	-	403	826	-	-	826	327	-	-	327	1,153	-	-	1,153
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other losses, net	(200)	-	-	(200)	(225)	-	(300)	(525)	230	-	-	230	5	-	(300)	(295)
Change in fair value of derivative liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other income (expense), net	203	-	-	203	601	-	(300)	301	557	-	-	557	1,158	-	(300)	858
Loss from continuing operations before income taxes	(4,262)	-	-	(4,262)	(9,067)	(570)	(313)	(9,950)	(4,140)	-	-	(4,140)	(13,777)	-	(313)	(14,090)
Income tax expense (benefit)	76	-	-	76	(48)	-	-	(48)	171	-	-	171	123	-	-	123
Net loss from continuing operations	(4,338)	-	-	(4,338)	(9,019)	(570)	(313)	(9,902)	(4,311)	-	-	(4,311)	(13,900)	-	(313)	(14,213)
Income from discontinued operations, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of the Core Business, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total income from discontinued operations, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ (4,338)	-	-	(4,338)	\$ (9,019)	\$ (570)	\$ (313)	(9,902)	\$ (4,311)	-	-	(4,311)	\$ (13,900)	-	(313)	(14,213)
EPS from continuing operations:																
Basic and diluted	(0.13)	-	-	(0.13)	(0.27)	(0.02)	(0.01)	(0.30)	(0.13)	-	-	(0.13)	(0.41)	-	(0.01)	(0.42)
EPS from discontinued operations:																
Basic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Diluted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EPS from total operations:																
Basic	(0.13)	-	-	(0.13)	(0.27)	(0.02)	(0.01)	(0.30)	(0.13)	-	-	(0.13)	(0.41)	-	(0.01)	(0.42)
Diluted	(0.13)	-	-	(0.13)	(0.27)	(0.02)	(0.01)	(0.30)	(0.13)	-	-	(0.13)	(0.41)	-	(0.01)	(0.42)
Shares																
Basic	33,384	33,384	33,384	33,384	33,363	33,363	33,363	33,363	34,078	34,078	34,078	34,078	34,039	34,039	34,039	34,039
Diluted	33,384	33,384	33,384	33,384	33,363	33,363	33,363	33,363	34,078	34,078	34,078	34,078	34,039	34,039	34,039	34,039

[1] Preliminary amounts were identified in Q3 2019 and were adjusted in Q3 2019 10-Q revisions footnote

[2] Preliminary amounts were identified during the preparation of the 2019 10-K and are expected to be adjusted in the 2019 10-K and relate to the following:
 - The elimination of markup on intercompany sales from our subsidiary in Bulgaria.
 - The collection and remission of employee's income and payroll taxes and employer payroll taxes related to the exercise of stock options in 2018 and 2019

[3] The preliminary amounts identified in [1] and [2] were determined to be material on an aggregate basis and are resulting in the issuance of an 8-K for non-reliance on the affected financial statements. The Company plans to issue restated financial statements to correct the errors by March 31, 2020

[4] The preliminary amounts identified in [1] and [2] have currently been determined to NOT be material on an aggregate basis and the Company plans to correct the items by revising previously reported results in our 10-K

Supplemental Reconciliation of Restatement Adjustments and Revisions - March 16, 2020: Balance Sheet

	9/30/2018				12/31/2018				3/31/2019				6/30/2019				9/30/2019			
	As Originally Reported*	[1] Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[3] As Restated	As Originally Reported*	[1] Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[3] As Restated	As Originally Reported*	[1] Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[3] As Restated	As Originally Reported*	[1] Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[4] As Revised	As Originally Reported*	[1] Corrections as reported in Q3 10-Q	[2] Additional corrections in 10-K	[4] As Revised
ASSETS																				
Current assets:																				
Cash and cash equivalents	\$ 40,663	-	-	40,663	\$ 16,466	-	-	16,466	\$ 32,415	-	-	32,415	\$ 67,360	-	-	67,360	\$ 62,272	-	-	62,272
Short term investments	55,480	-	-	55,480	61,678	-	-	61,678	40,885	-	-	40,885	-	-	-	-	-	-	-	-
Trade accounts receivable, net of allowance	4,080	-	-	4,080	3,656	-	-	3,656	4,006	-	-	4,006	5,233	-	-	5,233	6,329	-	-	6,329
Other receivables	-	-	-	-	1,359	-	-	1,359	925	-	-	925	985	-	-	985	1,333	-	-	1,333
Inventories, net of provision for obsolescence	6,037	-	-	6,037	3,061	-	-	3,061	3,013	-	-	3,013	3,863	-	-	3,863	4,547	-	-	4,547
Prepaid expenses and other current assets	627	-	-	627	3,297	-	-	3,297	3,996	-	-	3,996	4,516	-	-	4,516	4,424	-	-	4,424
Total current assets	106,887	-	-	106,887	89,517	-	-	89,517	85,240	-	-	85,240	81,957	-	-	81,957	78,905	-	-	78,905
Property and equipment, net	5,842	-	-	5,842	5,788	-	-	5,788	6,015	-	-	6,015	6,294	-	-	6,294	6,645	-	-	6,645
Operating lease ROU assets	-	-	-	-	-	-	-	-	178	-	-	178	374	-	-	374	368	-	-	368
Finance lease ROU assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	638	-	-	638
Other assets	385	-	-	385	-	-	-	-	270	77	-	347	258	77	-	335	387	-	-	387
Total assets	\$ 113,114	-	-	113,114	\$ 95,610	-	-	95,610	\$ 91,703	77	-	91,780	\$ 88,883	77	-	88,960	\$ 86,943	-	-	86,943
LIABILITIES AND STOCKHOLDERS' EQUITY																				
Current liabilities:																				
Accounts payable	\$ 2,348	-	-	2,348	\$ 1,423	-	-	1,423	\$ 1,504	-	-	1,504	\$ 1,641	-	-	1,641	\$ 1,457	-	-	1,457
Accrued expenses and other current liabilities	19,324	-	764	20,088	6,279	(117)	764	6,926	5,868	-	1,077	6,945	6,149	-	1,077	7,226	7,285	-	1,077	8,362
Current portion of operating lease liabilities	-	-	-	-	-	-	-	-	103	-	-	103	107	-	-	107	101	-	-	101
Current portion of finance lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	196	-	-	196
Total current liabilities	21,672	-	764	22,436	7,702	(117)	764	8,349	7,475	-	1,077	8,552	7,897	-	1,077	8,974	9,039	-	1,077	10,116
Related party note payable	140	-	-	140	140	-	-	140	140	-	-	140	140	-	-	140	140	-	-	140
Long-term portion of operating lease liabilities	-	-	-	-	-	-	-	-	75	-	-	75	267	-	-	267	248	-	-	248
Long-term portion of finance lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	444	-	-	444
Other long-term liabilities	-	-	-	-	-	-	-	-	-	-	194	194	-	-	194	339	339	-	-	339
Total liabilities	21,812	-	764	22,576	7,842	(117)	764	8,489	7,690	194	1,077	8,961	8,304	194	1,077	9,575	10,210	-	1,077	11,287
STOCKHOLDERS' EQUITY																				
Common stock	33	-	-	33	34	-	-	34	34	-	-	34	34	-	-	34	34	-	-	34
Additional paid-in capital	51,798	-	-	51,798	52,221	699	-	52,920	53,147	1,035	-	54,182	54,051	1,035	-	55,086	55,668	-	-	55,668
Retained earnings	39,471	-	(764)	38,707	35,513	(582)	(764)	34,167	30,832	(1,152)	(1,077)	28,603	26,494	(1,152)	(1,077)	24,265	21,031	-	(1,077)	19,954
Total stockholders' equity	91,302	-	(764)	90,538	87,768	117	(764)	87,121	84,013	(117)	(1,077)	82,819	80,579	(117)	(1,077)	79,385	76,733	-	(1,077)	75,656
Total liabilities and stockholders' equity	\$ 113,114	-	-	113,114	\$ 95,610	-	-	95,610	\$ 91,703	77	-	91,780	\$ 88,883	77	-	88,960	\$ 86,943	-	-	86,943

* Amounts have been updated for reclassifications to conform to the current presentation

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[4] The preliminary amounts identified in [1] and [2] have currently been determined to NOT be material on an aggregate basis and the Company plans to correct the items by revising previously reported results in our 10-K