

Subject Company: QAD Inc.
Commission File No. 001- 35013
Date: June 28, 2021

On June 28, 2021, QAD Inc. made available the following communications:

- Social Media Posts on Twitter, Facebook, LinkedIn and Instagram.
- CEO Blog Post.

QAD Transaction Social Media Posts

Twitter

- @QAD_Community is beginning its next chapter... as a privately held company! We've agreed to be acquired by @thomabravo in a transaction that'll help us take our business to the next level. Learn more here: [LINK TO RELEASE]
- We're excited to have the backing and support of @thomabravo as we invest in our expanding growth opportunities and become an even better partner to our customers. Learn more here: [LINK TO RELEASE]

Facebook

- This is an exciting day for QAD – we've agreed to be acquired by @Thoma_Bravo_LLC in a transaction that will enable us to build on our legacy, help our strong community of customers and partners thrive and position QAD for continued success. Learn more here: [LINK TO RELEASE]

LinkedIn

- Today QAD is beginning an exciting new chapter, which builds on our 40+ year legacy and the vision we have for our long-term future. We've agreed to be acquired by @Thoma-_Bravo in a transaction that will provide us with enhanced flexibility, focus and resources to invest in our expanding growth opportunities, and help our customers thrive in an increasingly dynamic manufacturing environment.

QAD was built on a foundation of helping others, and through this announcement, we are reaffirming our commitment to our customers, partners and team. Learn more about our future as a privately held company here: [LINK TO RELEASE].

Instagram

- We are excited to share that we've agreed to be acquired by Thoma Bravo in a transaction that will allow us to build on our legacy and become an even stronger partner to our customers.

Tap the link in our bio to read our announcement about our plans for our next chapter. [LINK TO PRESS RELEASE IN BIO]

CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF “SAFE HARBOR” PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.” Forward-looking statements are often identified by the use of words such as “anticipates,” “believes,” “estimates,” “expects,” “may,” “could,” “should,” “forecast,” “goal,” “intends,” “objective,” “plans,” “projects,” “strategy,” “target” and “will” and similar words and terms or variations of such. These statements represent current intentions, expectations, beliefs or projections, and no assurance can be given that the results described in such statements will be achieved. Forward-looking statements include, among other things, statements about the potential benefits of the proposed transaction; the prospective performance and outlook of the Company’s business, performance and opportunities; the ability of the parties to complete the proposed transaction and the expected timing of completion of the proposed transaction; as well as any assumptions underlying any of the foregoing. Such statements are subject to numerous assumptions, risks, uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of the Company’s control. Important factors that could cause actual results to differ materially from those described in forward-looking statements include, but are not limited to, (i) uncertainties as to the timing of the proposed transaction; (ii) the risk that the proposed transaction may not be completed in a timely manner or at all; (iii) the possibility that competing offers or acquisition proposals for the Company will be made; (iv) the possibility that any or all of the various conditions to the consummation of the proposed transaction may not be satisfied or waived, including the failure to receive any required regulatory approvals from any applicable governmental entities (or any conditions, limitations or restrictions placed on such approvals); (v) the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger Agreement, including in circumstances that would require the Company to pay a termination fee or other expenses; (vi) the effect of the pendency of the proposed transaction on the Company’s ability to retain and hire key personnel, its ability to maintain relationships with its customers, suppliers and others with whom it does business, its business generally or its stock price; (vii) risks related to diverting management’s attention from the Company’s ongoing business operations; (viii) various risks related to health epidemics, pandemics and similar outbreaks, such as the COVID-19 pandemic, which may have material adverse effects on the Company’s business, financial position, results of operations and/or cash flows; (ix) adverse economic, market or geo-political conditions that may disrupt the Company’s business and cloud service offerings, including defects and disruptions in the Company’s services, ability to properly manage cloud service offerings, reliance on third-party hosting and other service providers, and exposure to liability and loss from security breaches; (x) uncertainties as to demand for the Company’s products, including cloud service, licenses, services and maintenance; (xi) the possibility of pressure to make concessions on pricing and changes in the Company’s pricing models; (xii) risks related to the protection of the Company’s intellectual property; (xiii) changes in the Company’s dependence on third-party suppliers and other third-party relationships, including sales, services and marketing channels; (xiv) changes in the Company’s revenue, earnings, operating expenses and margins; (xv) the reliability of the Company’s financial forecasts and estimates of the costs and benefits of transactions; (xvi) the Company’s ability to leverage changes in technology; (xvii) risks related to defects in the Company’s software products and services; (xviii) changes in third-party opinions about the Company; (xix) changes in competition in the Company’s industry; (xx) delays in sales; (xxi) timely and effective integration of newly acquired businesses; (xxii) changes in economic conditions in the Company’s vertical markets and worldwide; (xxiii) fluctuations in exchange rates; and (xxiv) other factors as set forth from time to time in the Company’s filings with the SEC, including its Annual Report on Form 10-K for the fiscal year ended January 31, 2021, as may be updated or supplemented by any subsequent Quarterly Reports on Form 10-Q or other filings with the SEC. Readers are cautioned not to place undue reliance on such statements which speak only as of the date they are made. The Company does not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this communication or to reflect the occurrence of unanticipated events except as required by law.

Important Information For Investors And Stockholders

This communication is being made in respect of the proposed transaction involving QAD Inc. (the “Company”) and Thoma Bravo, L.P. In connection with the proposed transaction, the Company intends to file the relevant materials with the Securities and Exchange Commission (the “SEC”), including a proxy statement on Schedule 14A. Promptly after filing its definitive proxy statement with the SEC, the Company will mail the definitive proxy statement and a proxy card to each stockholder of the Company entitled to vote at the special meeting relating to the proposed transaction. This communication is not a substitute for the proxy statement or any other document that the Company may file with the SEC or send to its stockholders in connection with the proposed transaction. The materials to be filed by the Company will be made available to the Company’s investors and stockholders at no expense to them and copies may be obtained free of charge on the Company’s website at <https://ir.qad.com/financial-information/sec-filings>. In addition, all of those materials will be available at no charge on the SEC’s website at www.sec.gov. Investors and stockholders of the Company are urged to read the proxy statement and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed transaction because they contain important information about the Company and the proposed transaction.

The Company and its directors, executive officers, other members of its management and employees may be deemed to be participants in the solicitation of proxies of the Company stockholders in connection with the proposed transaction under SEC rules. Investors and stockholders may obtain more detailed information regarding the names, affiliations and interests of the Company’s executive officers and directors in the solicitation by reading the Company’s proxy statement for its 2021 annual meeting of stockholders, the Annual Report on Form 10-K for the fiscal year ended January 31, 2021, and the proxy statement and other relevant materials that will be filed with the SEC in connection with the proposed transaction when they become available. Information concerning the interests of the Company’s participants in the solicitation, which may, in some cases, be different than those of the Company’s stockholders generally, will be set forth in the proxy statement relating to the proposed transaction when it becomes available.

QAD's Next Chapter

June 28, 2021

By Anton Chilton

Hello Everyone – Today QAD is beginning an exciting new chapter, which builds on our 40+ year legacy and the vision we have for our long-term future. Earlier today, we announced [[HYPERLINK TO PRESS RELEASE](#)] that we have agreed to be acquired by Thoma Bravo, a leading investment firm focused on the software and technology-enabled services sector.

At QAD, we have always embraced change. It's amazing to see how far we've come since Pam founded the Company in 1979 – from supporting only a few local customers in QAD's early days, to building a leading, trusted global provider of ERP solutions to customers in over 100 countries.

We serve a dynamic, rapidly evolving industry, and we've taken full advantage of this challenge. As manufacturers have faced ever-increasing disruption, we've seized every opportunity to enhance our offerings to ensure we're meeting and exceeding the needs of our customers around the world.

That's how we reached this transaction with Thoma Bravo. As we considered our goals and the path forward, it became clear that partnering with Thoma Bravo and becoming a private company will advance our ability to further grow and better serve our customers, and accelerate our vision of enabling the Adaptive Manufacturing Enterprise. This transaction is about building on our legacy of unparalleled support for our community of customers and partners, attracting new customers to the QAD family, and helping them all thrive as we position QAD for the future.

So, why now and why Thoma Bravo...

This is a pivotal time for both QAD and our customers. The pandemic underscored and accelerated a trend that we've known to be true for years, particularly within the manufacturing industry: the transition to high-quality, cloud-based digital solutions are critical to success. Now more than ever, customers are turning to QAD to help them keep pace with emerging business disruptors. We won't let them down.

We are confident that Thoma Bravo is the ideal partner for us as we embark on this next chapter of growth. Thoma Bravo has a deep understanding of the software industry and a highly successful track record of value creation at companies like ours. They invest in growth-oriented, innovative software and technology companies, and take a collaborative approach to partnering with management teams. Importantly, they recognize the world-class talent, reputation and portfolio we've built, and share our confidence in our vision and the significant opportunities ahead.

As the pace of innovation and change in the manufacturing industry continues to accelerate, Thoma Bravo will work with us to ensure QAD is poised to take advantage of changing market conditions and reach our full potential. At the same time, we'll be able to do so without the distraction of the public markets. As a private company with Thoma Bravo's support, we will have enhanced flexibility, focus and resources to invest in our expanding growth opportunities, thereby helping our customers thrive in kind.

QAD was built on a foundation of helping others and indeed our "QAD Why" statement embodies this philosophy: "Overcoming challenges so that we can accelerate success, together." Through this partnership with Thoma Bravo, we are extending reaffirming our commitment to serving our customers, partners and team. I am eager to see what we accomplish together.

"Every moment is a fresh beginning." —**T.S. Eliot**

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