



Reconciliation of Q1 2022 GAAP to Non-GAAP Results

May 11, 2022



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Reconciliation of GAAP to Non-GAAP Results

With reference to our press release of May 11, 2022, we are providing additional non-material information regarding our reconciliation of Q1 2022 GAAP to non-GAAP results.

Our consolidated financial statements are prepared in accordance with U.S. GAAP on a basis consistent for all periods presented. The results of operations of our automotive business are reported as discontinued operations. In addition to results reported in accordance with U.S. GAAP, we use non-GAAP financial measures as supplemental indicators of our operating performance. The term “non-GAAP financial measure” is used to refer to a numerical measure of a company’s historical or future financial performance, financial position or cash flows that: (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with U.S. GAAP in a company’s statement of earnings, balance sheet or statement of cash flows; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. We refer to gross margin, operating expenses, earnings (loss) from operations, net earnings (loss) from continuing operations and net earnings (loss) per share from continuing operations adjusted for specific items that affect comparability as non-GAAP gross margin, non-GAAP operating expenses, non-GAAP earnings (loss) from operations, non-GAAP net earnings (loss) from continuing operations, non-GAAP diluted net earnings (loss) per share from continuing operations, adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA), respectively. We disclose non-GAAP amounts as we believe that these measures provide better information on actual operating results and assist in comparisons from one period to another.

Readers are cautioned that non-GAAP financial measures do not have any standardized meaning prescribed by U.S. GAAP and therefore may not be comparable to similar measures presented by other companies.

Q1 2022 Reconciliation of GAAP to Non-GAAP Results

In thousands of U.S. dollars, except earnings per share	GAAP Q1 2022	Purchase Price Amortization	Impairment	Restructuring & Other	CEWS & COVID-19 Relief	Stock Compensation & Related Social Taxes	Phantom RSU Expense	Foreign Exchange Gain (Loss)	Allocation of Realized Gain (Loss) on Hedge Contracts	Ransomware Incident	COVID-19 Factory Constraints Incremental Costs	Non GAAP Q1 2022
Revenue	172,957											172,957
Cost of sales	117,894	-	-	-	-	40	(3)	-	1	-	1,096	116,760
Gross margin	55,063	-	-	-	-	(40)	3	-	(1)	-	(1,096)	56,197
<i>GM %</i>	<i>31.8%</i>											<i>32.5%</i>
Sales and marketing	18,017	-	-	-	-	1,142	(55)	-	9	-	-	16,921
Research and development	18,335	-	-	-	-	737	(114)	-	26	-	-	17,686
Administration	10,116	-	-	99	(11)	1,362	(30)	-	12	-	-	8,684
Restructuring	4,004	-	-	4,004	-	-	-	-	-	-	-	-
Impairment	10,299	-	10,299	-	-	-	-	-	-	-	-	-
Amortization	3,820	2,152	-	-	-	-	-	-	-	-	-	1,668
Total Operating Expenses	64,591	2,152	10,299	4,103	(11)	3,241	(199)	-	47	-	-	44,959
Earnings (loss) from operations	(9,528)	(2,152)	(10,299)	(4,103)	11	(3,281)	202	-	(48)	-	(1,096)	11,238
Foreign exchange gain (loss)	(2,278)	-	-	-	-	-	-	(2,326)	48	-	-	-
Other expense	(1,083)	-	-	-	-	-	-	-	-	59	-	(1,142)
Earnings (loss) before income taxes	(12,889)	(2,152)	(10,299)	(4,103)	11	(3,281)	202	(2,326)	-	59	(1,096)	10,096
Income tax expense (recovery)	1,021	(265)	-	(169)	2	(51)	(1)	(16)	-	-	-	1,521
Net earnings (loss) from continuing operations	(13,910)	(1,887)	(10,299)	(3,934)	9	(3,230)	203	(2,310)	-	59	(1,096)	8,575
Basic and diluted net earnings (loss) per share from continuing operations (in dollars)	(0.37)											0.23
Weighted average number of basic and diluted shares	37,974											37,974
Adjusted EBITDA	N/A											15,770