



Reconciliation of Q2 2022 GAAP to Non-GAAP Results

August 11, 2022



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Reconciliation of GAAP to Non-GAAP Results

With reference to our press release of August 11, 2022, we are providing additional non-material information regarding our reconciliation of Q2 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 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.

Q2 2022 Reconciliation of GAAP to Non-GAAP Results

In thousands of U.S. dollars, except earnings per share	GAAP Q2 2022	Purchase Price Amortization	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	Gain on Sale of Omnalink	Recognition of CTA on Dissolution of Subsidiaries	Non GAAP Q2 2022
Revenue	187,951	-	-	-	19	6	-	(1)	-	-	-	187,951
Cost of sales	124,769	-	-	-	19	6	-	(1)	-	-	-	124,745
Gross margin	63,182	-	-	-	(19)	(6)	-	1	-	-	-	63,206
GM %	33.6%	-	-	-	(19)	(6)	-	1	-	-	-	33.6%
Sales and marketing	18,115	-	-	-	1,319	57	-	(7)	-	-	-	16,746
Research and development	17,296	-	-	-	941	62	-	(20)	-	-	-	16,313
Administration	11,733	-	682	(22)	1,479	32	-	(10)	-	-	-	9,572
Restructuring	3,715	-	3,715	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of Omnilink	(9,179)	-	-	-	-	-	-	-	-	(9,179)	-	-
Amortization	2,900	1,558	-	-	-	-	-	-	-	-	-	1,342
Total Operating Expenses	44,580	1,558	4,397	(22)	3,739	151	-	(37)	-	(9,179)	-	43,973
Earnings (loss) from operations	18,602	(1,558)	(4,397)	22	(3,758)	(157)	-	38	-	9,179	-	19,233
Foreign exchange gain (loss)	(5,355)	-	-	-	-	-	(5,317)	(38)	-	-	-	-
Other income (expense)	(650)	-	-	-	-	-	-	-	1,089	-	(817)	(922)
Earnings (loss) before income taxes	12,597	(1,558)	(4,397)	22	(3,758)	(157)	(5,317)	-	1,089	9,179	(817)	18,311
Income tax expense (recovery)	1,691	(196)	(110)	4	(2)	(25)	(113)	-	-	568	-	1,565
Net earnings (loss) from continuing operations	10,906	(1,362)	(4,287)	18	(3,756)	(132)	(5,204)	-	1,089	8,611	(817)	16,746
Basic and diluted net earnings (loss) per share from continuing operations (in dollars)	0.28											0.43
Weighted average number of basic shares	38,770											38,770
Weighted average number of diluted shares	39,079											39,079
Adjusted EBITDA	N/A											22,416