



Reconciliation of Q3 2021 GAAP to Non-GAAP Results

November 9, 2021

Reconciliation of GAAP to Non-GAAP Results

With reference to our press release of November 9, 2021, we are providing additional non-material information regarding our reconciliation of Q3 2021 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.

Q3 2021 Reconciliation of GAAP to Non-GAAP Results

In thousands of U.S. dollars, except earnings per share	GAAP Q3 2021												Non GAAP Q3 2021
		Purchase Price Amortization	Impairment	Restructuring, Integration, Acquisition & Other	CEO Retirement/ Search	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	
Revenue	82,450												82,450
Cost of sales	58,301	-	-	-	-	(2)	60	1	-	1	-	1,135	57,106
Gross margin	24,149	-	-	-	-	2	(60)	(1)	-	(1)	-	(1,135)	25,344
GM %	29.3%												30.7%
Sales and marketing	18,574	-	-	-	-	(34)	349	(25)	-	22	-	-	18,262
Research and development	16,238	21	-	-	-	(113)	430	(27)	-	44	-	-	15,883
Administration	10,410	-	-	349	42	(19)	981	(18)	-	25	-	-	9,050
Restructuring	369	-	-	369	-	-	-	-	-	-	-	-	-
Acquisition-related and Integration	(26)	-	-	(26)	-	-	-	-	-	-	-	-	-
Impairment	11,544		11,544	-	-	-	-	-	-	-	-	-	-
Amortization	4,294	2,755	-	-	-	-	-	-	-	-	-	-	1,539
Total Operating Expenses	61,403	2,776	11,544	692	42	(166)	1,760	(70)	-	91	-	-	44,734
Earnings (loss) from operations	(37,254)	(2,776)	(11,544)	(692)	(42)	168	(1,820)	69	-	(92)	-	(1,135)	(19,390)
Foreign exchange gain (loss)	(2,601)	-	-	-	-	-	-	-	(2,693)	92	-	-	-
Other income (expense)	(463)	-	-	-	-	-	-	-	-	-	(271)	-	(192)
Total other income (loss)	(3,064)	-	-	-	-	-	-	-	(2,693)	92	(271)	-	(192)
Earnings (loss) before income taxes	(40,318)	(2,776)	(11,544)	(692)	(42)	168	(1,820)	69	(2,693)	-	(271)	(1,135)	(19,582)
Income tax expense (recovery)	(1,912)	(431)	(2,378)	(152)	-	-	-	21	(68)	-	-	-	1,096
Net earnings (loss) from continuing operations	(38,406)	(2,345)	(9,166)	(540)	(42)	168	(1,820)	48	(2,625)	-	(271)	(1,135)	(20,678)
Basic and diluted net earnings (loss) per share from continuing operations (in dollars)	(1.03)												(0.56)
Weighted average number of basic and diluted shares	37,196												37,196
Adjusted EBITDA	N/A												-14,958