



August 3, 2021

Dear Sir or Madam,

The global pandemic brought with it significant disruption to the global supply chain. We want to reassure you we are doing everything in our power to provide your Sierra Wireless orders as quickly and as reliably as possible. Toward this end, we are diversifying our manufacturing capacity by activating two additional facilities expected to be online in September 2021. This will allow us to meet the growing demands for our best-in-class offers in as timely a manner as possible.

Recent [news](#) shows that all companies, even the likes of Apple and Tesla, are challenged by the global supply chain disruption. Sierra Wireless is seeing increased lead times and increased prices for a range of materials, including memory components and PCB boards. These factors along with the increase in logistics costs have significantly increased our costs. In addition, Sierra Wireless has invested millions of dollars to stock up on components, to ensure our ability to deliver for you. This level of investment is expected to continue for the foreseeable future.

Sierra Wireless has largely absorbed these increases for the past year. We have been watching the situation closely. We expect the situation to persist. As a result, Sierra Wireless is increasing our MSRP for, modules as well as gateways and accessories in the range of 20%. We will be in touch with you in the coming days with regard to the impact of this price increase on your backlog as well as future orders.

We very much value you and our partnership. Thank you for your support during these unprecedented times. You have our firm commitment that we will continue to do everything in our power to be your trusted partner as we move through the continuing supply constraints.

Best regards,

Roy MacLean
Senior Vice-President
Customer Experience