QUARTERHILL

Annual Meeting

May 8, 2023

TSX: QTRH

OTCQX: QTRHF



Shareholder's Meeting

FORMAL BUSINESS

John K. Gillberry

Chair, Board of Directors

Interim CEO











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Matters to be Considered / Voted On

- Presentation of Quarterhill's Financial Statements for 12 months ended December 31, 2022
- Election of Members to Quarterhill's Board of Directors
- Appointment of Ernst & Young LLP as Quarterhill's Auditors for Fiscal 2023 and Authorization of Quarterhill's Board of Directors to Fix the Auditors' Remuneration
- Authorize a reduction in the stated capital account of Quarterhill's common shares in the amount of $120 million

Nominees to Quarterhill's Board of Directors - 2023

- Roxanne Anderson
- Dr. Michel Tewfik Fattouche
- Rusty Lewis – Lead Independent Director
- Pamela Steer
- Anna Tosto

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MANAGEMENT PRESENTATION

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Important cautionary notes

Certain statements in this presentation, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties that face the Company. Such statements may contain words and expressions based on management's current assumptions and expectations related to estimates and assumptions made by Quarterhill in light of its experience and its perception of historical trends, current conditions, expected future developments and the expected effects of new business strategies, as well as other factors.

There can be no assurance that any statements of forward-looking information contained in this document will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral statements containing forward-looking information are based on the estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Except as required by applicable laws, the Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

Readers are cautioned not to place undue reliance on any statements of forward-looking information that speak only as of the date of this presentation. Additional information identifying risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in Quarterhill's filings with the various Canadian securities regulators which are available online at www.sedar.com.

This presentation includes references to adjusted Earnings Before Interest, Taxes, Depreciation and Amortization or "Adjusted EBITDA". adjusted for: (i) income taxes; (ii) finance expense or income; (iii) amortization and impairment of intangibles; (iv) special charges and other one-time items; (v) depreciation of right-of-use assets and property, plant and equipment; (vi) stock-based compensation; (vii) foreign exchange (gain) loss; and (viii) equity inearnings and dividends from joint ventures. Unless otherwise noted, all amounts are in Canadian dollars.

Reconciliation of Net Income to Adjusted EBITDA

(1,000s)

	Year ended December 31,			
	2022		2021	
	$	**Per Share**	$	Per Share
Net (loss) income from continuing operations	**$2,766**	**$0.02**	($22,183)	($0.19)
Adjusted for:				
Income tax (recovery) expense	**11,053**	**0.10**	(4,546)	(0.04)
Foreign exchange (gain) loss	**(2,689)**	**(0.02)**	(1,216)	(0.01)
Finance expense, net	**8,941**	**0.08**	2,164	0.02
Other charges	**20,893**	**0.18**	6,133	0.05
Depreciation and amortization	**29,612**	**0.26**	23,379	0.20
Stock based compensation expense	**1,875**	**0.02**	1,955	0.02
Dividends received from joint venture	**1,290**	**0.01**	1,348	0.01
Other income	**(9,094)**	**(0.08)**	(2,007)	(0.02)
Adjusted EBITDA[1]	**$64,647**	**$0.57**	$5,027	$0.04
Weighted average number of Common Shares				
Basic	**114,389,608**		114,013,610	

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2022 Highlights

Revenue: **$305.7mm**
Adjusted EBITDA: **$64.6mm**
Cash from operations: **$39.6mm**

WiLAN
Revenue: **$146.4mm**
Adjusted EBITDA: **$75.1mm**

WiLAN signs license agreements with Apple, Micron, Kyocera and others

ETC and IRD won > $200mm in long-term contracts, including:

- Alameda and Orange County (ETC)
- NY State and Indiana (IRD)

ITS contracted revenue backlog > USD$500mm at year-end, which includes seven long-term tolling projects in implementation

ITS restructuring to save $4.0mm in annual expenses

Quarterhill Today

World class ITS assets:

- Tolling (ETC)
- Enforcement (IRD)

Licensing business with long-term track record for generating cash flow (WiLAN)



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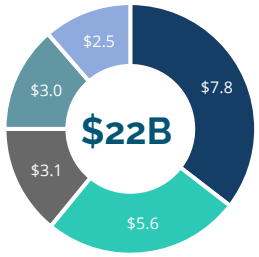
ITS is a stable, growing global industry

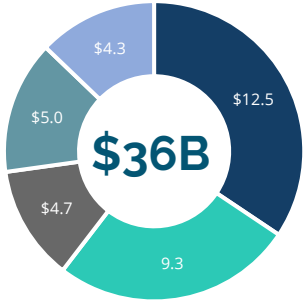
Total Road Segment Addressable Market*

2021



Road segment of ITS is forecasted to grow at a **5-year CAGR of 10.3%**

2026



The CVO/enforcement and tolling verticals are expected to exceed market **growth rates at 11.6% and 10.5%, respectively**

ITS Market Share by Region

North America	**37%**
Europe	**29%**
Asia-Pac	**24%**
Rest of World	**9%**

* Source: *"Intelligent Transportation System Market with COVID-19 Impact Analysis: Global Forecast to 2026"* report. www.marketsandmarkets.com

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ITS has compelling market tailwinds

Wide & growing gap between infrastructure needs and funding



US DoT reports **65% of all US roads are in poor condition**



$5.6 trillion investment gap* in infrastructure **will reduce US GDP by $10 trillion** in 20 years



Fuel tax is primary source for road infrastructure projects, but **is declining**

US Congress has passed an incremental **$1.2 trillion infrastructure spending bill**, with a focus on transportation

Ever-increasing demands for both safer and more sustainable mobility



Growing Congestion

92 million

Commercial and passenger **vehicles produced in 2019**

G7 countries have committed to **net-zero emissions by 2050**

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* Source: *American Society of Civil Engineers (ASCE) Report: "Failure to Act: Economic Impacts of Status Quo Investment Across Infrastructure Systems"*

ITS helps solve important challenges

Revenue Generation



$281T global debt, 9% growth in last 12 months; governments need solutions to pay for debt

Safety



Road accidents result in 18.2 deaths per 100,000 and costs **3% of countries' GDP** on average

Environment



Road vehicles produce 24 lbs of carbon dioxide per gallon and **1/5th of all emissions**

Efficiency



Traffic congestion costs the US economy over **$120 billion per year**

Quarterhill has World-Class ITS Assets

Tolling

- First patented dynamic pricing system
- Machine Learning/AI driven since 2018
- Services extending from the toll lane to the back office and national interoperability
- >$3B toll revenue processed annually
- >1500 toll lanes managed
- >2B transactions processed annually for >15mm accounts
- >90mm images process annually

Enforcement

- ITS leader in commercial vehicle enforcement
- Fastest growing segment in ITS road category
- Weigh-in-motion, tire anomaly, speed enforcement, smart city solutions and more
- One stop ITS solution provider including Products, Systems, Maintenance & Service capabilities
- >2000 enforcement systems worldwide
- >350 customers operating in >80 countries
- Record year of revenue in 2022 for IRD

Ohio River Bridges Back Office Solution

- 3 bridges connecting Louisville KY with Indiana
- Customer complaints created conditions for new provider
- ETC was selected from 9 bidders to provide the back-office system and customer support services (WSP will provide call center ops)
- ETC selected for its technology, reputation in back-office services and industry relationships/expertise
- Project expected to transition from implementation to operations in 2H 2023



* For the period 12/30/16 – 12/31/21

Central Texas Regional Mobility Authority

- Toll roads in Central Texas (Austin and vicinity)
- ETC replaced incumbent provider
- riteSuite™ roadside services deployed
- ETC selected for its technology, reputation, expertise and relationships
- Work on several roadways in beginning stages with remainder to commence in due course
- Those roads expected to transition from implementation to operations in 2H 2023
- Potential for expansion of number of roads



Indiana DOT: ATR & VWS Systems

Problem	Solution
State lacks manpower to maintain Automatic Traffic Recorder (ATR) systems to support data collection tied to FHWA funding.	IRD offers ongoing maintenance and data reporting as a service for 143 ATR systems, 56 WIM data systems and 23 Virtual Weigh Station (VWS) systems in Indiana.
Complexity and cost of coordinating shared services between government agencies (data/enforcement).	IRD has an advantage vs. competing WIM technology providers, being able to supply and support both traffic data and weight enforcement systems.
Indiana needs to protect their expanded road network from damage by overloaded vehicles, however there is a high cost to constructing conventional weigh stations.	IRD's VWS systems can monitor remote locations and provide Indiana State Patrol with detailed vehicle information remotely for mobile enforcement operations.







Netherlands: Tire Safety Screening

Problem

Vehicle breakdowns lead to congestion and delays on Dutch motorways.

The Netherlands agencies have goals to reduce emissions from transportation.

Solution

41% of incidents involving commercial vehicles were caused by tire problems. TACS identifies unsafe tires – flat, missing, etc.

TACS can identify underinflated tires that result in poorer fuel economy for commercial vehicles.



95% of Netherlands transport companies were satisfied with the TACS alert program

"TACS is helping us achieve our goal to reduce traffic incidents and congestion caused by truck breakdowns."

Janneke Nijsing – Projectleider Smart Logistics/Datasharing, SmartwayZ.NL

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WiLAN

Select Attributes	Investment Highlights
Full-service IP monetization	475+ licenses
Professionalism in business transactions	70+ partners
Technical/Legal/Business expertise	4,000+ patents
Reputation as a reasonable and creative IP monetization organization	$28.7mm five-year Adj EBITDA average

Track record of
strong revenue and profitability and
ongoing contributor to the business

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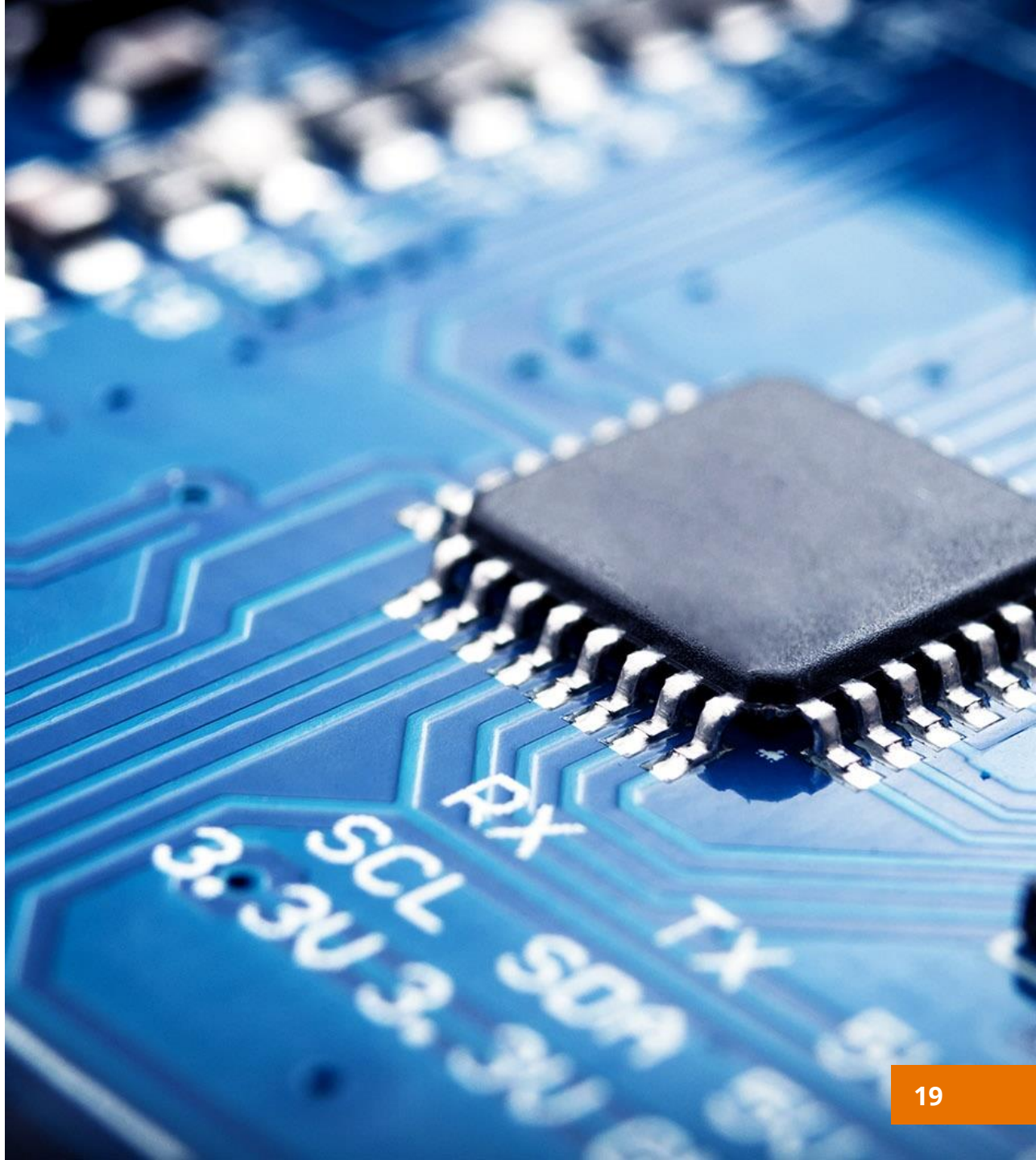

2023 Priorities

- Positive Adjusted EBITDA in ITS business, inclusive of corporate segment costs
- ITS integration
- Hire CEO
- Complete WilAN strategic review process



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AGM Q&A



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