

Quarterhill Announces USD \$60 Million Credit Facility and USD \$100 Million Accordion to Strengthen Balance Sheet and Support Growth Initiatives

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- *Facility positions Quarterhill for accelerated growth based on a strong capital foundation*
- *Enhanced financial flexibility unlocks opportunities to advance long-term strategy*
- *USD-denominated structure reduces FX exposure and sharpens balance sheet efficiency*

TORONTO, May 12, 2026 /PRNewswire/ - **Quarterhill Inc. ("Quarterhill" or the "Company")** (TSX: QTRH) (OTCQX: QTRHF), a leading provider of tolling and enforcement solutions in the Intelligent Transportation System ("ITS") industry, announces that the Company has entered into a new \$60 million senior secured credit facility with U.S. Private Credit Investments ("PCI"), a division of BTG Pactual Global Alternatives. All financial information in this press release is in United States ("US") dollars, unless otherwise indicated.

The financing consists of a \$30 million initial term loan facility (the "Initial Term Loan Facility"), a \$25 million delayed draw term loan facility (the "DDTL Facility"), and a \$5 million revolving credit facility (the "Revolving Credit Facility", and together with the Initial Term Loan Facility and the DDTL Facility, the "Facilities"). Proceeds from the Facilities will be used to repay obligations under the Company's existing credit agreement, redeem the Company's convertible debentures, pay transaction fees and expenses, and provide working capital. The Facilities have a maturity date of May 12, 2031. The Facilities are secured by certain assets of Quarterhill and Quarterhill is subject to customary financial and non-financial covenants under the agreement.

To further support its long-term strategy, the Company has established an incremental \$100 million uncommitted accordion, subject to lender agreement and satisfaction of usual and customary conditions. This is designed to fuel inorganic growth initiatives and allow the Company to act quickly on accretive M&A opportunities as they arise.

"This agreement reflects the successful execution of a deliberate plan to reposition this company for

sustained growth," **said Chuck Myers, Chief Executive Officer.** "Roughly a year ago, we committed to three objectives: returning to profitability, strengthening the balance sheet, and unlocking the next phase of both organic and inorganic growth. This facility builds on our progress by further anchoring the balance sheet, mitigating foreign exchange exposure, and providing the capital flexibility to pursue accretive M&A.

"Just as meaningful as the capital itself are the partners behind it. We're fortunate to be working with a group that shares our conviction in Quarterhill, believes in the durability of our platform, and is energized by the long-term opportunity in our markets.

"Now, with the right capital and partners in place, we have everything we need to move forward with clarity and confidence. Quarterhill's best chapter is ahead, and we look forward to unlocking value with a leaner, better-capitalized, and more growth-oriented business."

Thomas Steiglehner, Head of U.S. Private Credit Investments at BTG Pactual Global Alternatives, added, "we're excited to work with Quarterhill and provide the Company with a flexible, long-term source of capital to support its growth strategy. We partner with management teams that are building resilient, mission-critical businesses, and Quarterhill fits squarely within that focus."

ATB Cormark Capital Markets and Roth Canada acted as exclusive advisors in connection with the arrangement of the credit facility.

About Quarterhill

Quarterhill is a global leader in the Intelligent Transportation System (ITS) industry, advancing mobility through smart infrastructure solutions that reduce congestion, improve roadway safety, and create more sustainable travel. Each year, Quarterhill's platforms process billions of transactions, perform compliance and safety inspections on millions of commercial vehicles, and enable transportation agencies worldwide to optimize thousands of lanes of traffic to improve travel for everyone. Leveraging advanced artificial intelligence and machine learning technologies, Quarterhill's platform delivers automation and predictive insight to help agencies manage transportation networks more efficiently. By working in close partnership with governments, communities, and industry leaders, Quarterhill is building today's connected roadways while shaping the next generation of intelligent, resilient mobility. Quarterhill is listed on the TSX under the symbol QTRH and on the OTCQX Best Market under the symbol QTRHF. For more information: www.quarterhill.com.

About BTG Pactual Global Alternatives

Global Alternatives, a division of BTG Pactual, has ~\$10.9 billion in AUM and invests in specialized alternatives across the U.S. and Latin America (as of December 2025).

About U.S. Private Credit Investments

U.S. Private Credit Investments (PCI) is focused on sponsored and non-sponsored, privately-owned or publicly traded businesses valued between US\$ 50M and US\$ 2B.

As principals, the team is experienced across the capital structure through all economic cycles offering financing solutions tailored to company needs, asset base and earnings trajectory. PCI's flexible

mandate allows it to address client needs unpacking complexity and unlocking value with bespoke solutions to support refinancings, growth capital and companies in transition. These client needs are generally met through first lien term loans, unitranche, first-in, last-out, second lien term loans from ~US\$ 10 million – US\$ 200 million.

PCI invests in a range of industries including, but not limited to, industrials, business services, healthcare (non-reimbursable), software and technology, distribution, consumer, and retail.

Forward-looking Information

This news release contains forward-looking information and forward-looking statements within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements"). Forward-looking statements relate to future events, conditions or future financial performance of Quarterhill based on future economic conditions and courses of action. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of any words such as "seek", "anticipate", "budget", "plan", "goal", and similar expressions. In particular, this news release contains forward-looking statements pertaining to, but not limited to, the following: the Company's use of proceeds from the facility; availability of the uncommitted incremental debt capacity under the Facilities; ability of the Company to act quickly on accretive M&A opportunities; positioning for accelerated growth based on capital foundation; financial flexibility unlocking opportunities to advance long-term strategy; enhanced balance sheet efficiency; and repayment of the Company's convertible debentures.

Although the forward-looking statements contained in this news release are based upon assumptions which management of the Company believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward looking statements contained in this news release, the Company has made assumptions regarding, but not limited to: the Company's ability to execute on its business plan; successful integration of acquisitions; general economic and industry trends; operating assumptions relating to the Company's operations; demand for the Company's products and services; cost estimates for fixed price contracts; successful contract negotiation; and the other assumptions set forth in the Company's most recent annual information form available under the Company's profile on SEDAR+ at www.sedarplus.ca.

The Company's actual results could differ materially from those anticipated in the forward-looking statements, as a result of numerous known and unknown risks and uncertainties and other factors including, but not limited to: changes in demand for the Company's products and services; general economic, political, market and business conditions, including fluctuations in interest rates, foreign exchange rates, stock market volatility; reliance on key management personnel; risks related to competition within the Company's industry and relating to technological advances; litigation risks; cyber-security risks; fixed price contracts may result in unexpected costs to the Company; and the other risks set forth in the Company's most recent annual information form and management's discussion and analysis for the three and twelve months ended December 31, 2025 available under the Company's profile on SEDAR+ at <http://www.sedarplus.ca>.

The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be

given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. Readers are cautioned that the foregoing lists of important factors are not exhaustive, and they should not unduly rely on the forward-looking statements included in this news release. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement. Quarterhill has no intention, and undertakes no obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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