



NEWS RELEASE

Quarterhill Streamlines Operations to Reduce Costs and Align with Strategic Priorities

2025-07-24

TORONTO, July 24, 2025 /PRNewswire/ - Quarterhill Inc. ("Quarterhill" or the "Company") (TSX: QTRH) (OTCQX: QTRHF), today announced a workforce reduction of approximately 100 positions, representing approximately 15% of total headcount. This strategic initiative is intended to reduce costs, accelerate the path toward sustainable positive Adjusted EBITDA and operating cash flow, and better align resources with our long-term strategic priorities and those of our customers.

The reduction, affecting both contract and full-time roles in roughly equal measure, is expected to generate annualized cost savings of approximately US\$12 million. The reduction is primarily focused on operational areas that affect cost of sales, with a partial benefit to be realized in 2025 and the full benefit expected in 2026.

"While it is always difficult to part with good people, these changes are necessary to ensure we remain focused and well-positioned for long-term growth," said Chuck Myers, CEO at Quarterhill. "This is one of several decisive steps we are taking to strengthen our financial foundation, and represents a critical milestone in our objective to achieve positive Adjusted EBITDA margins and operating cash flow. At the same time, as we progress through this transition period, we will be better positioned to serve our customers with the highest standard of service."

About Quarterhill

Quarterhill is a leading provider of tolling, safety and enforcement, and logistics solutions in the Intelligent Transportation System (ITS) industry. Our goal is technology-driven global leadership in ITS, via organic growth of our businesses, and by continuing an acquisition-oriented investment strategy that capitalizes on attractive growth opportunities within ITS and its adjacent markets. 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.

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"). Such 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", "expect" and similar expressions. Specifically, this news release contains forward-looking statements relating to, but not limited to: the anticipated cost savings from the workforce reduction; the Company's ability and path to achieve sustainable positive Adjusted EBITDA; and the impact of the workforce reduction on the Company's operations, financial position and results.

Forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Material risk factors that could cause actual results to differ materially from the forward-looking statements contained in this news release include, among others, demand for Quarterhill's products and services; general economic and market conditions; competition; risks relating to technological advances and cyber-security; force majeure risks; and other risks set forth in the Company's most recent annual information form available on SEDAR+ at www.sedarplus.ca. The Company believes the expectations reflected in the forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. Material factors and assumptions used to develop the forward-looking statements contained in this news release include, among others: Quarterhill's ability to execute on its business plan; demand for Quarterhill's products and services; operating assumptions; and financial projections and cost estimates. These foregoing lists are not exhaustive. Additional information on these and other factors which could affect the Company's operations or financial results are included in the Company's most recent annual information form and other public documents on file with the Canadian Securities regulatory authorities on www.sedarplus.ca.

The forward-looking statements represent the Company's views as at the date of this news release. There can be no assurance that forward-looking statements will prove to be accurate, as actual events and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on any forward-looking statement. The Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.

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