Quarterhill Announces Preliminary Q1 2022 Consolidated Financial Results

- Q1 2022 Consolidated Revenue estimated to be in the range of $165-$175 million
- Q1 2022 Consolidated Adjusted EBITDA estimated to be in the range of $77-$82 million

TORONTO, April 7, 2022 /CNW/ - Quarterhill Inc. ("Quarterhill") (TSX: QTRH) (OTCQX: QTRHF), today announces an update on select preliminary consolidated financial results estimated for the three-month period ended March 31, 2022 ("Q1 2022"). All financial information in this press release is unaudited and is reported in Canadian dollars, unless otherwise indicated.

Driven by the anticipation of strong results from its operating subsidiaries, Quarterhill estimates its consolidated revenue for Q1 2022 to be in the range of $165-$175 million and its consolidated Adjusted EBITDA to be in the range of $77-$82 million.

Quarterhill will report its Q1 2022 financial results in early May 2022, with further details regarding its timing being made available closer to the release date.

About Quarterhill Inc.

Quarterhill is a leading provider of tolling and enforcement solutions in the Intelligent Transportation System (ITS) industry, as well as, through its Wi-LAN Inc. subsidiary, a leader in Intellectual Property licensing. Our goal is global leadership in ITS, via organic growth of the Electronic Transaction Consultants, LLC (ETC) and International Road Dynamics, Inc. (IRD) platforms, 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.

Non-IFRS Financial Measures and Non-IFRS Ratios

Quarterhill uses both IFRS and certain non-IFRS financial measures to assess performance. Non-IFRS financial measures are financial measures disclosed by a company that (a) depict historical or expected future financial performance, financial position or cash flow of a company, (b) with respect to their composition, exclude amounts that are included in, or include amounts that are excluded from the composition of the most directly comparable financial measure disclosed in the primary financial statements of the company, (c) are not disclosed in the financial statements of the company and (d) are not a ratio, fraction, percentage or similar representation. Non-IFRS ratios are financial measures disclosed by a company that are in the form of a ratio, fraction, percentage or similar representation that has a non-IFRS financial measure as one or more of its components, and that are not disclosed in the financial statements of the company.

These non-IFRS financial measures and non-IFRS ratios are not standardized financial measures under IFRS, and, therefore, are unlikely to be comparable to similar financial measures presented by other companies. Management believes these non-IFRS financial measures and non-IFRS ratios provide transparent and useful supplemental information to help investors evaluate our financial performance, financial condition, and liquidity using the same measures as management. These non-IFRS financial measures and non-IFRS ratios should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

Adjusted EBITDA - Non-IFRS Financial Measures

We use the non-IFRS financial measure "Adjusted EBITDA" to mean net (loss) income adjusted for (i) income taxes, (ii) finance expense or income; (iii) amortization and impairment of intangibles; (iv) other charges and other on-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) other income which includes equity in earnings from joint ventures, and (ix) dividends received from joint ventures. Adjusted EBITDA is used by our management to assess our normalized cash generated on a consolidated basis and in our operating segments. Adjusted EBITDA is also a performance measure that may be used by investors to analyze the cash generated by Quarterhill and our operating segments. Adjusted EBITDA should not be interpreted as an alternative to net loss and cash flows from operations as determined in accordance with IFRS or as measure of liquidity. The most directly comparable IFRS financial measure is Net (loss) income.

Forward-looking Information

This news release contains forward-looking statements regarding Quarterhill and its business. Forward- looking statements are based on 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 that Quarterhill believes are appropriate in the circumstances. The forward-looking events and circumstances discussed herein may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Quarterhill, including: potential risks and uncertainties relating to the ultimate geographic spread of the novel coronavirus ("COVID-19"); the severity of the disease; the duration of the COVID-19 outbreak; actions that may be taken by governmental authorities to contain the COVID-19 outbreak or to treat its impact; the potential negative impacts of COVID-19 on the global economy and financial markets and any resulting impact on Quarterhill and/or its business. Other factors include, without limitation, the risks described in Quarterhill's March 20, 2022 annual information form for the year ended December 31, 2021 (the "AIF"). In addition, readers are also urged to review the additional risk factors disclosed in our Management's Discussion and Analysis for our three months and year ended December 31, 2021 and 2020 filed on www.sedar.com. Quarterhill recommends that readers review and consider all of these risk factors and notes that readers should not place undue reliance on any of Quarterhill's forward-looking statements. 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.

View original content:
https://www.prnewswire.com/news-releases/quarterhill-announces-preliminary-q1-2022-consolidated-financial-results-301520499.html

SOURCE Quarterhill Inc.

View original content: http://www.newswire.ca/en/releases/archive/April2022/07/c0998.html

%SEDAR: 00009395E

For further information: For media and investor inquiries, please contact: Dave Mason, Investor Relations, T: 416.247.9652, E: ir@quarterhill.com

CO: Quarterhill Inc.

CNW 17:04e 07-APR-22