



## QUESTOR ANNOUNCES SECOND QUARTER RESULTS

**Calgary, Alberta (August 15, 2024)** – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the second quarter ended June 30, 2024.

Questor’s unaudited Condensed Consolidated Financial Statements and Management’s Discussion and Analysis for the quarter ended June 30, 2024, are available on the Company’s website at [www.questortech.com/investors](http://www.questortech.com/investors) and at [www.sedarplus.ca](http://www.sedarplus.ca).

*Unless otherwise noted, all financial figures are presented in Canadian dollars, prepared in accordance with International Financial Reporting Standards and are unaudited for the three and six months ended June 30, 2024, and June 30, 2023.*

### SECOND QUARTER 2024 FINANCIAL RESULTS

For the	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
<i>(Stated in CDN \$)</i>				
Revenue	<b>870,360</b>	2,216,578	<b>1,601,978</b>	4,055,353
Gross profit	<b>42,156</b>	807,705	<b>254,431</b>	1,550,221
Adjusted EBITDA <sup>(1)</sup>	<b>(721,640)</b>	205,289	<b>(1,199,225)</b>	433,911
Loss for the period	<b>(966,246)</b>	(501,777)	<b>(1,603,005)</b>	(676,645)
Loss per share - basic and diluted	<b>(0.03)</b>	(0.02)	<b>(0.06)</b>	(0.02)

As at	June 30, 2024	December 31, 2023
<i>(Stated in CDN \$)</i>		
Working capital <sup>(2)</sup>	<b>7,837,556</b>	11,844,178
Total assets	<b>26,925,851</b>	27,125,820
Total equity	<b>22,716,291</b>	24,357,652

<sup>(1)</sup> Adjusted EBITDA is defined as net income or loss for the period less interest, taxes, depreciation and amortization, foreign exchange losses (gains), non-cash stock-based compensation, and gains and losses that are extraordinary or non-recurring.

<sup>(2)</sup> Working capital is defined as total current assets less total current liabilities.

Revenue for the three and six months ended June 30, 2024 was \$0.9 million and \$1.6 million, compared to \$2.2 million and \$4.1 million for the same periods ended June 30, 2023. The reduction of revenue is primarily attributed to timing differences resulting from shifting projects and rental start dates within the timelines of customer proposals. As of today, the Company has \$1.5 million of committed equipment sales revenue to be completed in 2024. Requests for both equipment sales and rental proposals remain strong in 2024. The company remains focused on strategic initiatives to drive future growth.

Gross profit as a percent of revenue for the three and six months ended June 30, 2024 was 5 and 16 percent compared to 36 and 38 percent in the same period of 2023. The reduction is mainly due to the shifting of projects and rental start dates, where the Company continues to incur fixed costs, partially offset with strong margins on revenue and sales mix, paired with continued focus on controlling costs.

Adjusted EBITDA for the three and six months ended June 30, 2024 was negative \$0.7 million and negative \$1.2 million compared to positive \$0.2 million and positive \$0.4 million for the same periods in 2023. The reduction in Adjusted EBITDA is mainly due to the shifting of equipment sales projects and rental start dates, where the Company continues to incur operational and administrative fixed costs.

The Company continues to have a strong financial position at June 30, 2024 including cash and cash equivalents of \$3.8 million, \$5.1 million of highly liquid short-term investments, and working capital of \$7.8 million.

### SECOND QUARTER 2024 HIGHLIGHTS AND SUBSEQUENT EVENTS

In the quarter, Questor announced a purchase order for \$0.5 million to a large midstream company in Canada, and another for \$1 million to an energy company in Nigeria.

The Company continues construction of its prototype 1,500kw waste heat to power unit. Shop testing of the unit will commence in September of 2024. Negotiations are under way for a partner location for site installation and field testing.

In June, the Company recognized the final payment of the SDTC milestone one totaling \$1,393,246 with reasonable assurance the conditions of receiving the grant have been met, and grant disbursement is expected to be received by the end of 2024.

On February 9, 2024, Questor commenced a Normal-course issuer bid (“NCIB”), allowing Questor to purchase a maximum of 1,400,000 common shares over the 12-month period for cancellation. NCIB is effective until the earliest of (i) February 7, 2025, (ii) the Company purchasing the maximum of 1,400,000 Shares, and (iii) the Company terminating the NCIB. In connection with the current NCIB, Questor

entered into an automatic share purchase plan ("ASPP") with its designated broker to enable the purchase of shares during blackout periods during which the Company would not ordinarily be permitted to purchase shares. Purchases under the ASPP during those periods are determined by the designated broker in its sole discretion based on the purchasing parameters set by Questor in accordance with the rules of the TSX Venture Exchange, applicable securities laws and the terms of the ASPP. Outside of the periods noted above, purchases under the current NCIB are completed at Questor's discretion. As of August 14, 2024, under the current NCIB and the instructions in place with the broker, Questor purchased for cancellation of 391,500 shares at a weighted average share price of \$0.55.

During the second quarter of 2024, the Board of Directors approved the issuance of 25,000 stock options, 100,000 performance share units and 105,167 restricted share units, to officers and employees. The share-based awards will be granted in the third quarter.

## PRESIDENT'S MESSAGE

The global emission regulatory environment is rapidly evolving and continues to develop favorably for the Company's products, as regulators, the courts, investors, and the public are putting pressure on the industry to reduce methane emissions, flaring and venting from their operations. Questor is seeing significant global interest in its technology solutions. Methane has become the emission of focus in the battle to stop the global temperature rise. Methane is a climate "super pollutant" and is considered the low-hanging fruit in climate change mitigation because it's a potent greenhouse gas with **86 times the warming potential** of carbon dioxide over a 20-year period and responsible for 30% of observed global warming to date. It also degrades much more quickly than CO<sub>2</sub>, meaning that cuts in methane emissions now, can have a quick and significant effect on reducing global warming. Reducing methane emissions from sources like the fossil fuel industry is seen as one of the cheapest and most effective ways to combat climate change. The combustion efficiency of our thermal oxidizer is ISO 14034 certified to 99.99% combustion efficiency performance, allows our clients to credibly demonstrate their facilities are not emitting methane, and reducing or eliminating volatile organic compounds (VOCs). Utilizing the heat generated from combusting the methane by our organic rankine cycle (ORC), creates a revenue stream that offsets the costs of getting to (net) zero carbon dioxide equivalent emissions. Most major oil and gas producers have made net zero goals. The combination of our clean combustion and waste heat to power technology allows our clients to achieve their net zero goals at potentially zero net cost.

The purchase orders received by Questor in the second quarter, totalling approximately \$1.5 million, are the result of a multi-year strategy of positioning Questor to be an indispensable solution for our clients in honouring their commitment to zero routine flaring by 2030 and cutting global methane emissions by at least 30% from 2020 levels by 2030. To accelerate the adoption of Questor solutions, we have partnered with global representatives for our products and services. In India, Questor has partnered with Hi-Tech, who have been in business since 1989 with 11 locations and a track record introducing technology solutions to the Indian market. Questor is represented by OilSERV, a leading integrated oilfield services company in the Middle East and North Africa region.

In Nigeria, Questor is represented by Ar-Rahman Technical Services Nig. Limited. In the Latin America region, Questor has partnered with Hoerbiger, which has over 120 locations in around 50 countries worldwide and has been in business since 1925. Questor has spent the last two years developing relationships with these partners, educating them on our technology, and supporting them in client meetings and proposals. Over this period, we have submitted proposals worth over \$60 million all of which have the potential to grow our international revenue significantly.

We anticipate new and existing global clients will view Questor as an ideal solution to accelerate the attainment of their net zero pledges, given our suite of products and services eliminate flaring and utilize waste heat to reduce costs.

## FORWARD LOOKING STATEMENTS

Certain information in this news release constitutes forward-looking statements. When used in this news release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. This news release contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Company's current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including without limitation, changes in market, competition, governmental or regulatory developments, general economic conditions and other factors set out in the Company's public disclosure documents. Many factors could cause the Company's actual results, performance or achievements to vary from those described in this news release, including without limitation those listed above. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release and such forward-looking statements included in, or incorporated by reference in this news release, should not be unduly relied upon. Such statements speak only as of the date of this news release. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

## ABOUT QUESTOR TECHNOLOGY INC.

Questor Technology Inc., incorporated in Canada under the Business Companies Act (Alberta) is an environmental emissions reduction technology company founded in 1994, with global operations. The Company is focused on clean air technologies that safely and cost effectively improve air quality, support energy efficiency and greenhouse gas emission reductions. The Company designs, manufactures and services high efficiency clean combustion systems that destroy harmful pollutants, including Methane, Hydrogen Sulfide gas, Volatile Organic Hydrocarbons, Hazardous Air Pollutants and BTEX (Benzene, Toluene, Ethylbenzene and Xylene) gases within waste gas streams at 99.99 percent efficiency per its ISO 14034 Certification. This enables its clients to meet emission regulations, reduce greenhouse gas emissions, address community concerns and improve safety at industrial sites.

The Company also has proprietary heat to power generation technology and is currently targeting new markets including landfill biogas, syngas, waste engine exhaust, geothermal and solar, cement plant waste heat in addition to a wide variety of oil and gas projects. The combination of Questor's clean combustion and power generation technologies can help clients achieve net zero emission targets for minimal cost. The Company is also doing research and development on data solutions to deliver an integrated system that amalgamates all of the emission detection data available to demonstrate a clear picture of the site's emission profile.

The Company's common shares are traded on the TSX Venture Exchange under the symbol "QST". The address of the Company's corporate and registered office is 2240, 140 – 4 Avenue S.W. Calgary, Alberta, Canada, T2P 3N3.

## **QUESTOR TRADES ON THE TSX VENTURE EXCHANGE UNDER THE SYMBOL 'QST'**

### **Investor Relations Contact**

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