



## QUESTOR ANNOUNCES THIRD QUARTER RESULTS

**Calgary, Alberta (November 26, 2024)** – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the third quarter ended September 30, 2024.

Questor’s unaudited Condensed Consolidated Financial Statements and Management’s Discussion and Analysis for the quarter ended September 30, 2024, are available on the Company’s website at [www.questortech.com/investor-relations](http://www.questortech.com/investor-relations) 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 nine months ended September 30, 2024, and September 30, 2023.*

### THIRD QUARTER 2024 FINANCIAL RESULTS

For the	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
<i>(Stated in CDN \$)</i>				
Revenue	<b>1,142,710</b>	1,690,390	<b>2,744,688</b>	5,745,743
Gross profit	<b>383,574</b>	442,655	<b>638,005</b>	1,992,876
Adjusted EBITDA <sup>(1)</sup>	<b>(256,475)</b>	(97,666)	<b>(1,455,698)</b>	336,244
Loss for the period	<b>(589,599)</b>	(3,237,785)	<b>(2,192,604)</b>	(3,914,430)
Loss per share - basic and diluted	<b>(0.02)</b>	(0.12)	<b>(0.08)</b>	(0.14)

  

As at	September 30, 2024	December 31, 2023
<i>(Stated in CDN \$)</i>		
Working capital <sup>(2)</sup>	<b>6,344,001</b>	11,844,178
Total assets	<b>26,498,234</b>	27,125,820
Total equity	<b>22,092,285</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, impairment charges 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 nine months ended September 30, 2024 was \$1.1 million and \$2.7 million compared to \$1.7 million and \$5.7 million for the same periods in 2023. The reduction is mainly attributed to a strategic shift in Questor’s business focus towards the international equipment sales. Questor’s USA sales team has been hired in the past quarter with a focus on rebuilding rental and sales revenue lost primarily due to merger and acquisition activity combined with regulatory changes in the space over the past few years. The revenue focus is primarily in the Permian basin, Colorado, North Dakota, New Mexico and Wyoming. While short-term results were impacted by the change in our client base combined with regulatory changes, our refreshed focus on global markets with opportunities to eliminate methane and VOC emissions will position the Company for stronger, more diversified and ultimately more sustainable growth in the long term. As at the date of this press release, the Company has secured \$2.7 million of committed equipment sales revenue, expected to be fulfilled in Q4 2024 and Q1 2025.

Gross profit as a percent of revenue for the three and nine months ended September 30, 2024 was 34 percent and 23 percent compared to 26 percent and 35 percent for the same periods in 2023. The reduction for the nine months ended September 30, 2024 compared to the prior period is mainly due to a lower revenue, where the Company continues to incur fixed costs. This impact is partially mitigated by strong margins from revenue and sales mix, along with an ongoing focus on controlling costs. Additionally, there was a reduction in the cost of sales expense due to the absence of a \$0.2 million valuation allowance for slow-moving inventory, which was recognized in 2023.

Adjusted EBITDA for the three and nine months ended September 30, 2024, was negative \$0.3 million and negative \$1.5 million, compared to negative \$0.1 million and positive \$0.3 million for the same periods in 2023. The reduction in Adjusted EBITDA is mainly due to a reduction in revenue, where the Company continues to incur operational and administrative fixed costs.

The Company continues to have a strong financial position at September 30, 2024 including cash and cash equivalents of \$3.3 million, \$4.0 million of highly liquid short-term investments, and working capital of \$6.3 million.

### THIRD QUARTER 2024 HIGHLIGHTS AND SUBSEQUENT EVENTS

In the quarter, Questor announced a purchase order for \$1 million to an energy company in Nigeria, and subsequently announced another purchase order for \$1.7 million to a global energy services company in Libya in November.

The Company is progressing with the construction of its prototype 1,500kw waste heat to power unit. Shop testing is underway and expected to be completed in Q4 2024. The company is actively negotiating a partner location for site installation and field testing.

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 November 22, 2024, under the current NCIB and the instructions in place with the broker, Questor purchased for cancellation of 614,500 shares at a weighted average share price of \$0.49.

During the quarter, the Company granted 25,000 options, 100,000 performance share units and 41,670 restricted share units to the officer of the Company. The Board of Directors further approved the issuance of 231,940 restricted share units to employees. The share-based awards were granted in October 2024.

## 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. From the UN: "Slashing methane emissions is an emergency brake to rapidly slow global warming while we work toward a net zero future"<sup>1</sup>. 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. At COP29 in Baku, a new Methane Abatement Partnership Roadmap was launched to accelerate the reduction of methane emissions associated with fossil energy production and consumption. It is a partnership between countries, international organizations, NGOs and development banks to encourage a 75% reduction in Methane emissions by 2030<sup>2</sup>. 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.

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 has partnered with 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.

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.

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1 <https://www.unep.org/> article titled "An eye on methane 2024"; November 8, 2024

2 <https://energy.ec.europa.eu/news/> article titled "EU steps up efforts to abate methane emissions with partners at COP29"; November 12, 2024

## **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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