



TORNADO GLOBAL HYDROVACS REPORTS THIRD QUARTER 2024 RESULTS

NET INCOME PER SHARE INCREASED BY 100% COMPARED TO Q3/2023

CALGARY, November 18, 2024 – Tornado Global Hydrovacs Ltd. (“Tornado” or the “Company”) (TSX-V: TGH; OTCQX: TGHLF) today reported its unaudited condensed consolidated financial results for the three and nine month periods ended September 30, 2024. The unaudited condensed consolidated financial statements and related management discussion and analysis are available on the Company’s issuer profile in Canada on SEDAR+ at www.sedarplus.com, the United States at www.otcm Markets.com and on the Company’s website at www.tornadotrucks.com. All amounts reported in this news release are in thousands (\$000’s CAD) except per share amounts.

Third Quarter 2024 Overview and Significant Developments

- Net income per share (diluted) of \$0.014 increased by \$0.007 (100.0%) compared to \$0.007 in Q3/2023. Net income of \$1,990 increased by \$1,046 (138.2%) compared to \$944 in Q3/2023. This increase was principally due to increased revenue and the associated increased EBITDAS⁽¹⁾.
- EBITDAS per share (diluted)⁽¹⁾ of \$0.023 increased by \$0.007 (43.8%) compared to \$0.016 in Q3/2023. EBITDAS⁽¹⁾ of \$3,090 increased by \$938 (43.6%) compared to \$2,152 in Q3/2023. This increase was principally due to increased revenue and the associated increased gross profit.
- Revenue of \$30,451 increased by \$3,370 (12.4%) compared to \$27,081 in Q3/2023 as a result of: (i) the positive impact of the four-year Product Supply and Development Agreement (the “Supply Contract”) with Ditch Witch, a division of The Toro Company (“Ditch Witch”), which the Company entered into in 2022 for the co-development and supply of customized hydrovac trucks; (ii) the increase in sales from the sales arrangement with Custom Truck One Source, who is a single-source provider of specialized truck and heavy equipment solutions with over 40 locations across North America (“Custom Truck”); (iii) the increase in sales pricing of hydrovac trucks; (iv) the increase in the number of hydrovac trucks sold; and (v) the increase in demand for hydrovac trucks in North America.
- Gross profit of \$5,248 increased by \$1,279 (32.2%) compared to \$3,969 in Q3/2023 principally due to increased revenue and improved production efficiency at the Red Deer Facility.
- Selling and general administrative expenses of \$2,258 increased by \$359 (18.9%) compared to \$1,899 in Q3/2023. The increase was principally due to generally increased employee, sales and travel costs to handle present and anticipated growth.

¹ EBITDAS is calculated by subtracting interest, tax, depreciation, amortization, stock-based compensation, gain/loss on foreign exchange and change in fair value of derivative financial instruments from earnings. EBITDAS per share (diluted) is calculated by dividing EBITDAS by the total number of diluted common shares. The terms EBITDAS and EBITDAS per share (diluted) are non-IFRS financial measures and readers are cautioned that EBITDAS and EBITDAS per share (diluted) should not be considered to be more meaningful than net income determined in accordance with IFRS.

Brett Newton, President and CEO of Tornado, shared his insights on the company’s performance and future outlook: “Tornado has delivered another strong quarter, with Q3 2024 showing continuing financial growth compared to the same period last year. This quarter reflects our commitment to growth with the successful launch of a major new product in Q3. This launch, combined with preparation for the construction of our new facility, required reallocating resources and adjusting our production line, which temporarily slowed down overall production. The new facility, expected to be completed by Q2 2025, will significantly increase our production capacity. With these strategic initiatives underway, we anticipate a return to full production capacity in Q4 2024 and remain confident in our continued upward momentum.”

Financial and Operating Highlights (in CAD \$000's except outstanding common share and per share data)

	Three months ended September 30		Nine Months ended September 30	
	2024	2023	2024	2023
Revenue	\$ 30,451	\$ 27,081	\$ 98,778	\$ 71,706
Cost of sales	25,203	23,112	81,554	60,393
Gross profit	5,248	3,969	17,224	11,313
Selling and general administrative expenses	2,258	1,899	7,195	5,639
Other (gain) loss - foreign exchange	(50)	(29)	(390)	49
Depreciation and amortization	254	120	637	666
Finance expense	63	176	215	501
Stock-based compensation	157	637	550	864
Change in fair value of derivative financial instruments	(80)	-	(80)	-
Gain on disposal of fixed assets	-	-	(9)	-
Income before tax	2,646	1,166	9,106	3,594
Income tax expense	(656)	(222)	(2,178)	(811)
Net income	\$ 1,990	\$ 944	\$ 6,928	\$ 2,783
EBITDAS (1)	\$ 3,090	\$ 2,152	\$ 10,302	\$ 5,900
Outstanding common shares	137,556,119	135,871,119	137,556,119	135,871,119
EBITDAS per share - diluted (1)	\$ 0.023	\$ 0.016	\$ 0.075	\$ 0.043
Net income per share - diluted	\$ 0.014	\$ 0.007	\$ 0.051	\$ 0.020

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Outlook

Management expects the Company's production and sales of hydrovac trucks and profitability to continue to grow in the remainder of 2024 and into 2025 for the following reasons:

- Expected continued spending on infrastructure in North America.
- The continuing addition of new and innovative products that will support the infrastructure, telecommunications and oil and gas industries.
- The anticipated increasing revenues and benefits from the Supply Contract with Ditch Witch.
- The anticipated increasing revenues and benefits from the sales arrangement with its US strategic partner, Custom Truck.
- The anticipated increase in production capacity and operating efficiencies resulting from the completion of the new building being constructed at the Red Deer facility, which is expected to be completed in Q2/2025.
- The Company's commitment to continuous improvement of its hydrovac truck design which in the Company's view will result in advantages over other hydrovac trucks currently offered in the market.
- The Company's ability to continue to secure key manufacturing components, including chassis for customers, into future years through strategic supplier relationships.
- The Company has strengthened its dealer relationships in both Canada and US to meet the expected demand increase.

- Expanded North American coverage for maintenance warranty and repair to serve customers better.

About Tornado Global Hydrovacs Ltd.

Tornado is a pioneer and leader in the vacuum truck industry and has been a choice of utility and oilfield professionals with over 1,500 hydrovacs sold since 2005. The Company designs and manufactures hydrovac trucks as well as provides heavy duty truck maintenance operations in central Alberta. It sells hydrovac trucks to excavation service providers in the infrastructure and industrial construction and oil and gas markets. Hydrovac trucks use high pressure water and vacuum to safely penetrate and cut soil to expose critical infrastructure for repair and installation without damage. Hydrovac excavation methods are quickly becoming a standard in North America to safely excavate in urban areas and around critical infrastructure greatly reducing infrastructure damage and related fatalities.

For more information about Tornado Global Hydrovacs Ltd., visit www.tornadotrucks.com or contact:

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Advisory

Certain statements contained in this news release constitute forward-looking statements. These statements relate to future events. All statements other than statements of historical fact are forward-looking statements. The use of the words "anticipates", "should", "may", "expected", "expects", "believes" and other words of a similar nature are intended to identify forward-looking statements. 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. Although Tornado believes these statements to be reasonable, 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. Such statements include those with respect to:

- *the Company's outlook for the remainder of 2024 and into 2025 generally;*
- *the expectation that the Company's production, sales of hydrovac trucks and profitability for the remainder of 2024 and into 2025 will continue to grow;*
- *the anticipation of increasing revenues and benefits from the Supply Contract with Ditch Witch.*
- *the anticipated increasing revenues and benefits from the sales arrangement with its US strategic partner, Custom Truck;*
- *anticipated increase in production capacity and operating efficiencies resulting from the completion of the new building being constructed at the Red Deer Facility, which is expected to be completed in Q2/2025;*
- *the expectation of continued spending on infrastructure in North America;*
- *the expectation of adding new and innovative products that will support the infrastructure, telecommunications and oil and gas industries;*
- *management's belief that the Company's commitment to continuous improvement of its hydrovac truck design which in the Company's view will result in advantages over other hydrovac trucks currently offered in the market;*
- *management's belief in its continuing ability of securing key manufacturing components, including chassis, for customers into future years through strategic supplier relationships;*
- *management's belief in the positive impact of strengthened dealer relationships in both Canada and US to meet the expected demand increase;*
- *management's belief in the positive impact of expanded North American coverage for maintenance warranty and repair; and*
- *management's expectation of returning to full production capacity by Q4 2024 and confidence in sustained upward momentum driven by strategic initiatives.*

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. Actual results could differ materially from those anticipated in these forward-looking statements as a result of prevailing economic conditions, including restrictions on trade and tariffs, and other factors, many of which are beyond the control of Tornado. Although Tornado believes these statements to be reasonable, 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. The forward-looking statements contained in this news release represent Tornado's expectations as of the date hereof and are subject to change after such date. Tornado disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by applicable securities regulations.

Neither the Exchange nor its Regulation Service Provider (as that term is defined in policies of the Exchange) accepts responsibility for the adequacy or accuracy of this news release.