



INVESTOR PRESENTATION

Global provider of premium indoor clean air solutions
February 2020 | Fourth quarter & Year-End Report 2019

TODAY'S AGENDA AND SPEAKERS

1. Introduction

5

2. Business Update

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3. Financial Update

34



Andreas Göth, CEO

- ▶ CEO since 2018. Andreas tenure at QleanAir spans over eighteen years being CFO 2001–2007 and head of operations and deputy CEO since 2007
- ▶ Prior to QleanAir, Andreas held finance management positions at SkandiaBanken
- ▶ BSc in Business Administration and Economics from Stockholm University



Henrik Resmark, CFO

- ▶ CFO since 2013 and head of the finance organisation
- ▶ Henrik held other CFO and corporate finance positions before joining QleanAir; most notably at Aros Securities / Nordea Securities, from 1998–2003 and NeuroNova (Newron), from 2003–2013
- ▶ MSc in Business Administration from Lund University

QLEANAIR IN BRIEF | TICKER QAIR

COMPANY

- ▶ Global provider of premium indoor clean air solutions
- ▶ Diversified customer base with high retention rate
- ▶ Strong cash flow generation from rental revenue model
- ▶ Efficient and asset light business model ready for further global expansion
- ▶ Established platform with high visibility through long-term contracts
- ▶ Proprietary technology and solutions providing substantial barriers to entry

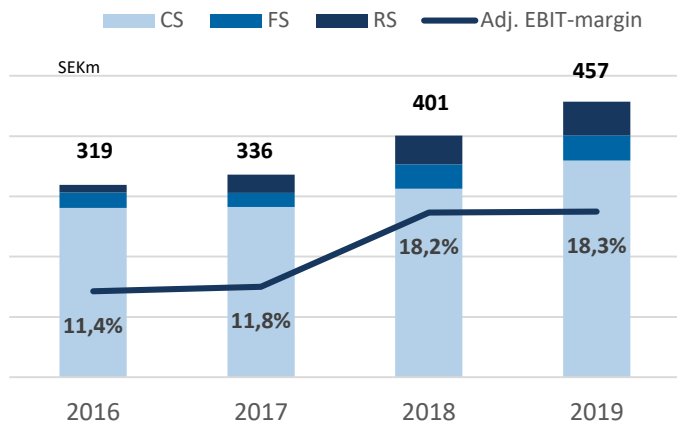
FAST FACTS

- ▶ **+2,500** customers
- ▶ **36 months** typical contract length
- ▶ **>75%** contracts extended or renewed¹
- ▶ **3.5 billions m3** clean air/month

FINANCIAL TARGETS

- ▶ **~10%** organic net sales CAGR
- ▶ **15-20%** EBIT-margin
- ▶ **30-50%** dividend of net profit

FINANCIAL DEVELOPMENT

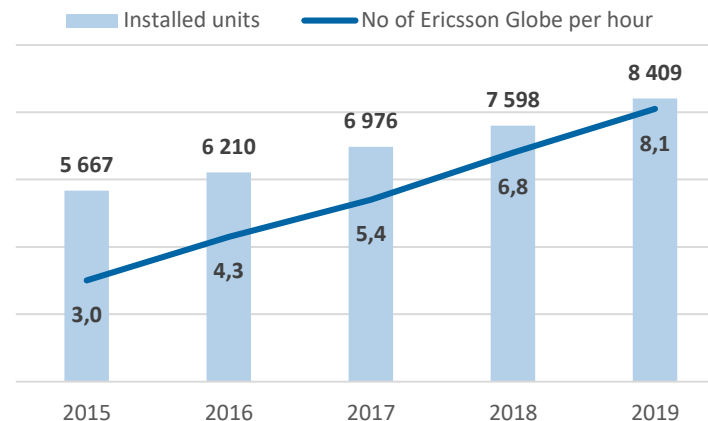


MARKET

- ▶ Strong fundamental market drivers from regulatory shift and awareness of air pollution as a health concern
- ▶ Large opportunity within logistics, food, automotive and cleanroom segments
- ▶ QleanAir established as premium provider of clean air managed services
- ▶ Customer base between product categories is conducive to cross-selling



INSTALLED BASE & DELIVERY CLEAN AIR





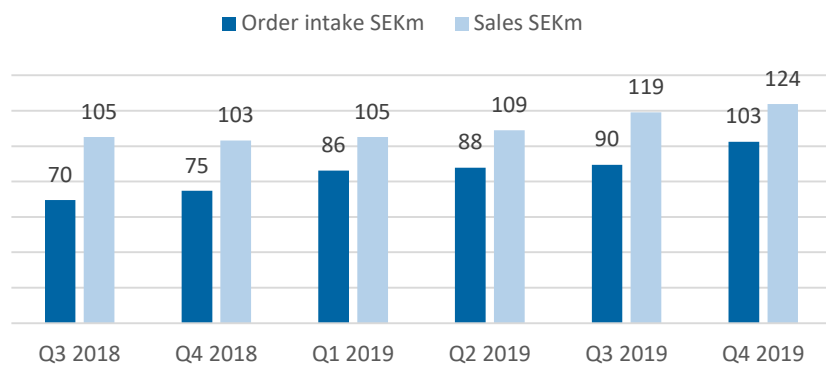
BUSINESS UPDATE

Andreas Göth, CEO

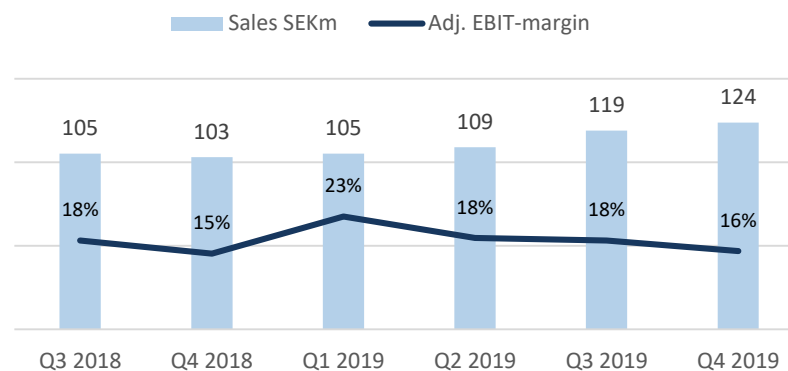
KEY HIGHLIGHTS Q4

- ▶ Record high order intake > SEKm 100, increase + 37%
- ▶ Good growth Sales increase +20%¹
- ▶ Investments in new categories are starting to pay off
 - ▶ Sales Growth Facility Solutions +10%
 - ▶ Sales Growth Room Solutions +16%
 - ▶ Very strong quarter for Cabin Solutions in Japan and stable sales in Europe +23%
- ▶ IPO Nasdaq First North Premier Growth Market, refinancing and acquisition of SFS finance

STRONG ORDER INTAKE AND SALES GROWTH



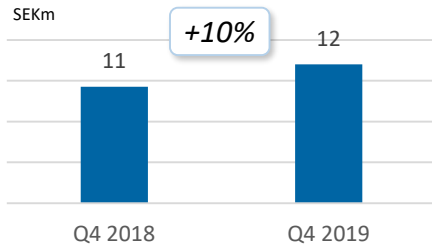
STABLE PROFITABILITY AND EBIT-MARGIN



STRONG PERFORMANCE IN ALL CATEGORIES IN THE FOURTH QUARTER

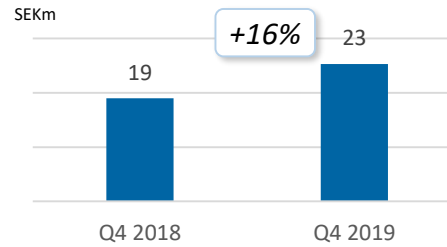
Q4 PERFORMANDE CATEGORIES

FACILITY SOLUTIONS (FS)



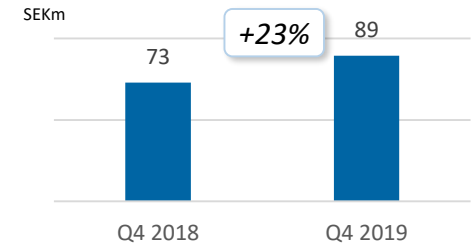
- ▶ Air cleaning solutions for different sized industrial spaces requiring enhanced air quality overall or in specific areas

ROOM SOLUTIONS (RS)



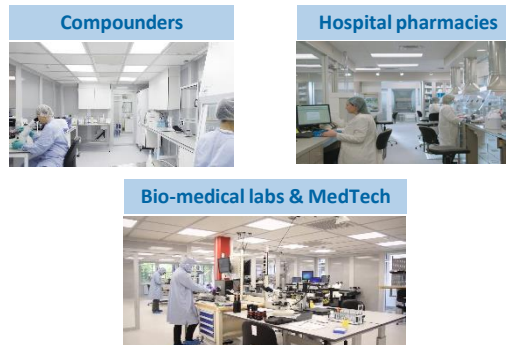
- ▶ Cleanrooms / clean zones caters to spaces with regulatory classification either based on new construction or retrofitting of existing spaces / rooms

CABIN SOLUTIONS (CS)

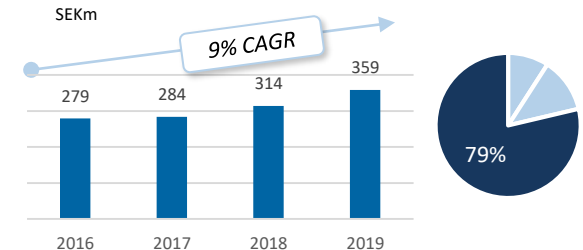
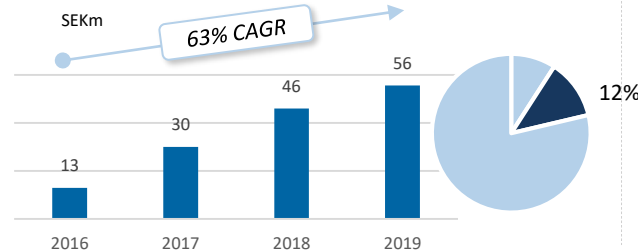
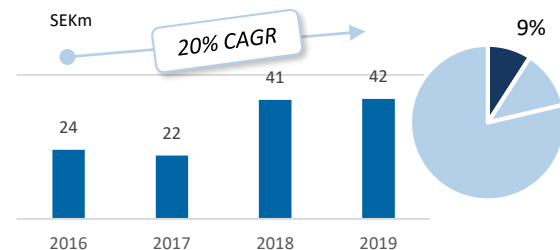


- ▶ Three product lines of stand-alone indoor smoking cabins for different sizes and application demands, providing filtration of particles and gases as well as an ash handling system

KEY END MARKETS



2019 REVENUES



CLEAN AIR AS A MANAGED SERVICE PROVIDE A HOLISTIC APPROACH

QLEANAIR OFFERS A HOLISTIC APPROACH TO CLEAN AIR AS A SERVICE

- ▶ QleanAir is a provider of complete, premium, indoor clean air solutions.
- ▶ Customers are offered long-term full-service rental contracts encompassing clean air technology, hardware solutions, installation, maintenance and functional performance guarantees – all provided in an ecosystem.
- ▶ QleanAir's rental business model allows the customer to outsource the problem of indoor air pollution – *clean air as a service*.
- ▶ QleanAir maintains full control of its systems – important that the brand is associated with high performing solutions over time, ensuring high standards.
- ▶ This holistic approach to air cleaning is a key differentiator and an important decision criteria for its customers.

- ▶ QleanAir's single technology platform with proprietary filter and back-office technology enable a differentiated portfolio of products.
- ▶ QleanAir employs different go-to-market strategies across geographies and product categories including an own salesforce, incentivized channel partners, exclusive market partners and distributors.
- ▶ The sales organization and product, system and concept development are core to QleanAir.



STRONG UNDERLYING MARKET DRIVERS TO SUPPORT OUR GROWTH PLAN

STRONG GLOBAL FUNDAMENTAL MARKET DRIVERS



- ▶ Circular economy – recycling of air
- ▶ Increased awareness of air pollutant danger
- ▶ Increased regulation
- ▶ Required compliance
- ▶ CSR



- ▶ UN 17 Sustainable Development Goals for 2030 expected to drive the market



- ▶ EU Mandatory Regulation 2018 – Non-Financial Reporting (CSR)
- ▶ Health impact of air pollution
- ▶ Recycling of air
- ▶ Clean air as a service
- ▶ Corporations and institutions are moving from CAPEX to OPEX
- ▶ EU regulation



- ▶ Increasing general awareness of importance of air quality
- ▶ Corporate social responsibility and regulatory pressure



- ▶ Mandatory regulations and required compliance
- ▶ CSR
- ▶ Clean air as a service
- ▶ Corporations and institutions are moving from CAPEX to OPEX
- ▶ Flexible and scalable solutions
- ▶ Time to market



- ▶ Regulatory changes requiring clean air in pharmacies and hospitals



- ▶ Increased regulation
- ▶ Required Compliance
- ▶ CSR
- ▶ Health impact of air pollution
- ▶ Recycling of air
- ▶ Time to market



- ▶ Regulatory changes (amendments to the Health Promotion Act) in April 2020.

STABLE AND DIVERSIFIED REVENUE BASE WITH BLUE CHIP CUSTOMERS

PORTFOLIO SUMMARY

+2,500
Global customers

+8,400
Installed units¹

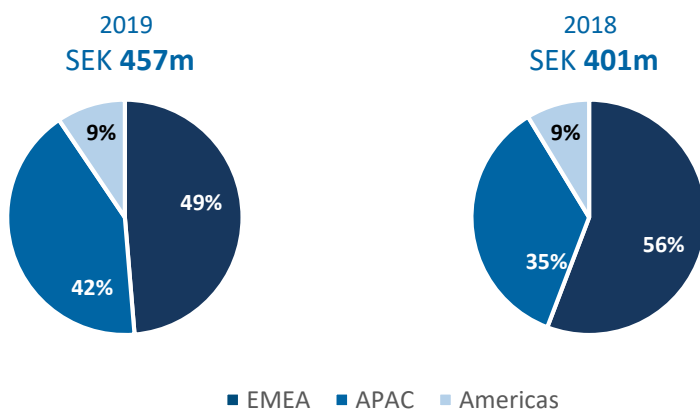
+20
Countries customer base

42%
Recurring revenue
in 2019

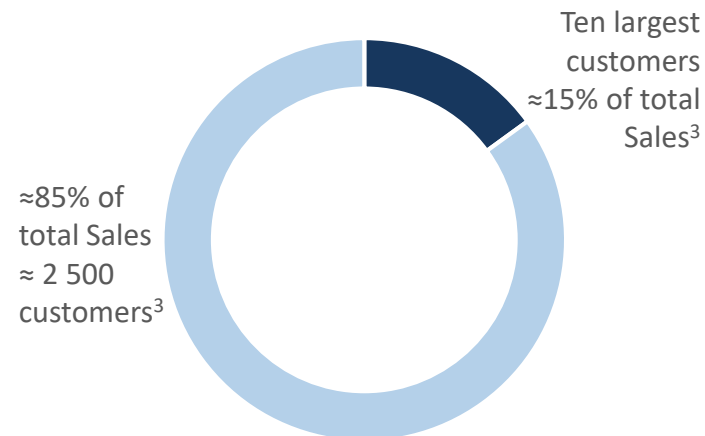
36 months
Typical contract length

>75%
Contracts extended or
renewed²

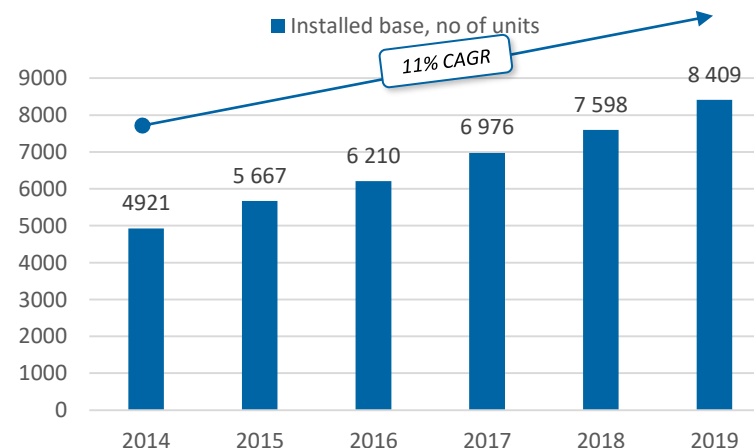
Geographical distribution by revenue



LOW DEPENDENCY ON SINGLE CUSTOMERS



STABLE GROWTH INSTALLED BASE





FINANCIALS

Henrik Resmark, CFO

STRONG ORDER INTAKE AND SALES DEVELOPMENT

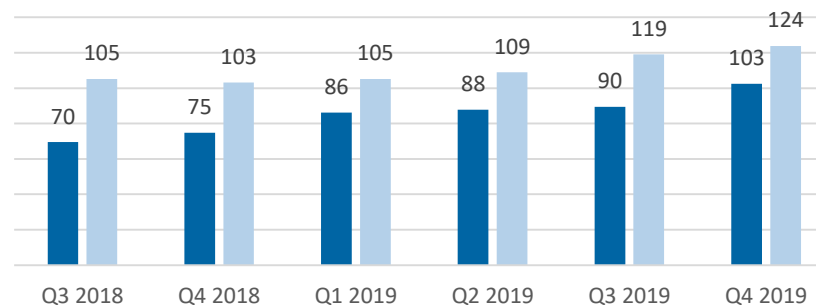
FOURTH QUARTER 2019

- ▶ Strong performance with +37% growth in order intake and +20% sales growth in the fourth quarter
- ▶ Good performance in all geographies and product categories
- ▶ Sales growth Facility Solutions +10%
- ▶ Sales growth Room Solutions +16%
- ▶ Strong performance in Japan by Cabin Solutions and stable development in Europe +23%
- ▶ Recurring revenues increased +20% to SEKm 51.8 (43.0)
- ▶ Increase in sales to end customer relates to sales of PPG for Room Solutions in the US market + 128% SEKm 28.9 (12.6)

FULL YEAR 2019

- ▶ Sales growth +13,9% to SEKm 456.9 (400.8) organic +8% (adj.fx)
- ▶ Facility Solutions challenging first nine month, strong fourth quarter SEKm 41.6 (41.4)
- ▶ Sales growth Room Solutions +21% SEKm 55.7 (46.2)
- ▶ Strong performance in Japan by Cabin Solutions and stable development in Europe +15% SEKm 359.5 (313.2)
- ▶ Recurring revenues increased +16% to SEKm 190.8 (164.9) corresponding to 42% (42) of total revenues
- ▶ Increase in sales to end customer relates to sales of PPG for Room Solutions in the US market + 128% SEKm 61.6 (30.1)

■ Order intake SEKm ■ Sales SEKm



TSEK	OCT-DEC 2019	OKT-DEC 2018	YEAR 2019	YEAR 2018
EMEA	58 872	57 461	222 438	223 602
APAC	46 612	29 625	191 217	142 395
Americas	18 363	16 063	43 224	34 816
Total	123 846	103 149	456 878	400 813

TSEK	OKT-DEC 2019	OKT-DEC 2018	YEAR 2019	YEAR 2018
Cabin Solutions	89 357	72 941	359 502	313 181
Facility Solutions	11 843	10 732	41 647	41 396
Room Solutions	22 646	19 475	55 730	46 236
Total	123 845	103 148	456 878	400 813

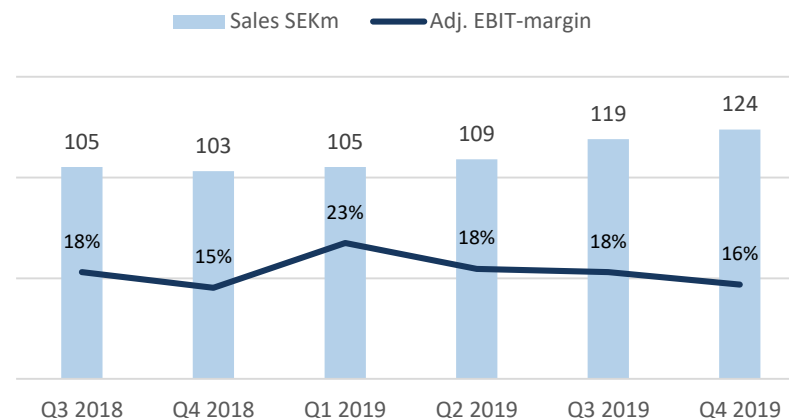
TSEK	OKT-DEC 2019	OKT-DEC 2018	YEAR 2019	YEAR 2018
Sales to finance companies	43 218	47 552	204 528	205 813
Recurring revenues, rental from units in own balance sheet	51 775	42 965	190 764	164 882
Sales to end customer	28 854	12 630	61 587	30 117
Total	123 847	103 148	456 879	400 812

INCREASED SALES IS DRIVING THE PROFITABILITY

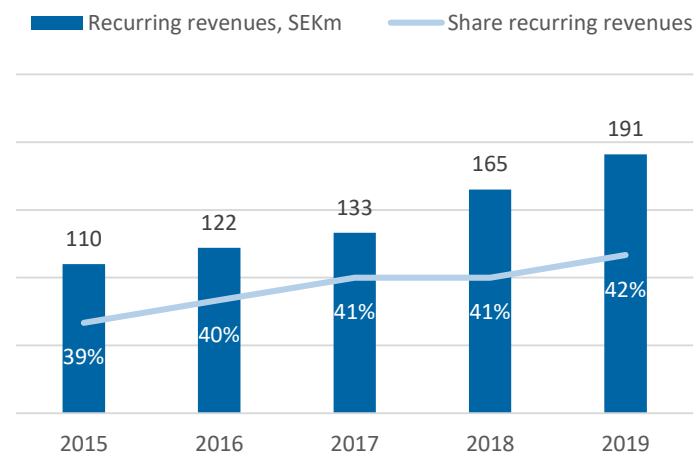
P&L COMMENTS

- ▶ Retention rate >75%¹ contracts extended or renewed
- ▶ Recurring rental revenues from units in own balance sheet 42 (41)%
- ▶ Adjusted EBITDA amounted to SEKm 24.9 (19.3) +29% in the fourth quarter
- ▶ For the full year the adjusted EBITDA amounted to SEKm 105.2 (84.2) +25%
- ▶ Adjusted EBIT amounted to SEK 19.3 (15.6) million +23% in the fourth quarter
- ▶ For the full year adjusted EBIT amounted to SEKm 83,7 (73.1) million +15%
- ▶ Adjusted EBIT-margin amounted to SEKm 15.6 (15.1) % for the fourth quarter and SEKm 18.3 (18.2)% for the full year 2019
 - ▶ Fourth quarter: EBIT adjusted for costs related to the listing on Nasdaq First North Premier Growth Market and the acquisition of SFS finance.
 - ▶ Full year: EBIT adjusted for costs related to the listing on Nasdaq First North Premier Growth Market, the acquisition of SFS finance, termination of a market partner in Germany and upgrade of the installed base in Japan to comply with new regulation.

SALES & ADJ. EBIT-MARGIN QUARTER BY QUARTER



RECURRING REVENUES & SHARE OF TOTAL REVENUES



CASH-FLOW & BALANCE SHEET

CASH-FLOW IN SUMMARY

SEKm	Oct-Dec 2019	Oct-Dec 2018	FY 2019	FY 2018
Cash-flow from operations	10.2	32.3	62.5	69.3
Investing activities	-12.2	-2.2	-25.8	-16.0
Financing activities	-18.6	-5.0	-57.4	-33.4
Cash-flow for the period	-20.6	25.1	-20.7	19.9
Opening cash balance	80.8	48.8	74.9	51.0
Fx effects	-3.2	1.0	2.7	4.1
Closing cash balance	57.0	74.9	56.9	75.0

- ▶ Investment in SFS finance
- ▶ Refinancing in association with the listing
- ▶ More efficient capital structure going forward

BALANCE SHEET IN SUMMARY

SEKm	FY 2019	FY 2018
ASSETS		
Intangible fixed assets	349.6	350.9
Tangible fixed assets	62.4	23.6
Deferred tax	11.3	0.0
Other	0.2	14.1
Fixed assets	423.5	388.6
Inventories	32.1	23.0
Account receivables	35.9	49.3
Other current receivables	54.4	50.2
Cash and bank	57.0	74.9
Current assets	179.4	197.4
Total assets	602.9	586.0
EQUITY & LIABILITIES		
Equity	97.7	64.0
Long-term interest bearing liabilities	249.7	65.0
Subordinated shareholder loan	0.0	237.3
Accrued tax liabilities	0.0	3.2
Other Liabilities (IFRS16)	0.0	0.0
Long-term liabilities	249.7	305.5
Short-term interest bearing liabilities	37.4	46.4
Other short-term liabilities	204.1	170.1
Current liabilities	241.5	216.5
Total Equity & Liabilities	588.9	586.0

Financial targets and dividend policy

MEDIUM-TERM FINANCIAL TARGETS AND DIVIDEND POLICY

1

Organic sales growth

~10%

Net sales CAGR

- ▶ Average annual organic sales growth of circa 10 percent

2

Profitability

15-20%

EBIT margin

- ▶ EBIT margin of 15-20 percent

3

Dividend policy

30-50%

Payout ratio

- ▶ 30-50 percent of net profit paid out as dividend

PERFORMANCE

14%

Net sales CAGR

18%

Adj. EBIT margin

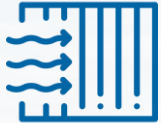
0.25 SEK

Dividend per share

In summary fourth quarter & Year-End 2019



Unique service offering based on holistic approach to clean air as a service with full-service rental contracts
Strong fourth quarter 2019 QleanAir now in position for continued profitable growth



Proprietary air cleaning technology and back-office solutions providing substantial barriers to entry
Our investments in new product categories start to impact growth



Long contracts with high degree of extensions across a diversified blue-chip customer base generating strong and predictable revenues
Clean air as a Service creates customer value



Asset light business model with limited capex needs providing strong free cash conversion and equity returns
Profitable growth in focus

Q&A



APPENDIX

A photograph of a modern industrial factory floor. In the foreground, two men are standing and looking at a document. The man on the left is wearing a light blue shirt and dark trousers, while the man on the right is wearing a grey polo shirt and dark cargo pants. They are both looking intently at the paper. The background shows a complex industrial environment with various machines, pipes, and overhead lighting fixtures. The ceiling is high with exposed ductwork and numerous rectangular light fixtures. The floor is polished and reflects the overhead lights.

Appendix | Key ratios

	Oct-Dec 2019	Oct-Dec 2018	FY 2019	FY 2018
Order intake, TSEK	102 466	74 706	365 979	313 379
Sales, TSEK	123 847	103 210	456 993	401 072
Recurring revenue from units in own balance sheet, %	42%	42%	42%	41%
EBITDA, TSEK	6 581	11 753	79 756	72 899
EBITDA-margin, %	5,3%	11,4%	17,5%	18,2%
Adjusted EBITDA, TSEK	24 931	19 252	105 206	84 198
Adjusted EBITDA-margin, %	20,1%	18,7%	23,0%	21,0%
EBIT, TSEK	-25 268	8 127	32 073	61 793
EBIT-margin, %	-20,4%	7,9%	7,0%	15,4%
Adjusted EBIT, TSEK	19 278	15 626	83 719	73 092
Adjusted EBIT-margin, %	15,6%	15,1%	18,3%	18,2%
Result for the period, TSEK	-28 252	-2 125	-7 521	21 003
Earnings per share, SEK	-2,11	-0,16	-0,56	1,58
Cash flow from operations, TSEK	10 233	32 307	62 498	69 273
Net working capital, TSEK	-72 321	-47 625	-72 321	-47 625
Equity/Asset ratio, %	16%	11%	16%	11%

Appendix | Quarterly development

	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018
Order intake, TSEK	102 466	89 540	87 753	86 223	74 712
Sales, TSEK	123 847	119 018	108 997	105 151	103 209
Gross profit, TSEK	73 882	73 979	73 775	74 398	64 820
Gross-margin, %	59,7%	62,2%	67,7%	70,8%	62,8%
Adjusted EBITDA, TSEK	24 931	26 384	27 677	26 214	29 252
Adjusted EBITDA-margin, %	20,1%	22,2%	25,4%	24,9%	28,3%
Adjusted EBIT, TSEK	19 278	21 034	19 786	23 621	15 626
Adjusted EBIT-margin, %	15,6%	17,7%	18,2%	22,5%	15,1%
Operating cash-flow, TSEK	10 233	13 997	20 247	18 002	32 306
Working capital, TSEK	-72 321	-46 828	-46 952	-45 796	-47 626
Average Capital Employed, TSEK	394 811	421 063	416 087	413 132	410 749
Interest bearing liabilities excl. IFRS16, TSEK	236 684	253 679	259 029	269 026	260 560
Equity/Asset ratio, %	16,2%	14,0%	13,4%	12,2%	11,6%
Net debt/Equity ratio, %	2,4	2,8	3,0	3,5	4,1
Adjusted return on Capital employed (ROCE), %	21,2%	19,0%	19,5%	20,5%	17,8%

Appendix | 10 largest shareholders

Qevirp 41 Ltd	39.1%
IKC Fonder	5.0%
Handelsbanken Fonder	4.4%
Skandia Fonder	3.8%
DEKA	3.7%
Livförsäkringsbolaget Skandia	3.1%
Enter Fonder	2.0%
Sensor Fonder	2.0%
Taaleritehtaan Rahastoyhtiö Oy	1.6%
Avanza Pension	1.5%
LMK-bolagen & Stiftelse	1.3%

Euroclear data & Company information per December 31, 2019.

Company board of directors

Rolf Classon



- ▶ Chairman
- ▶ Year of birth: 1945
- ▶ Shareholding: 25 000
- ▶ Board member since: 2012

- ▶ Rolf brings with him extensive leadership experience and broad industry knowledge. Rolf held various management positions at Pharmacia, was Executive Vice President at Bayer Healthcare and President at Bayer Diagnostics to subsequently become Chairman of the Executive Committee at Bayer Healthcare.
- ▶ Today, Rolf is an active member of multiple boards and advisory functions.

Christina Lindstedt



- ▶ Director
- ▶ Year of birth: 1968
- ▶ Shareholding: 60,000
- ▶ Board member since: 2016

- ▶ Christina has held several international leadership positions within Electrolux, Sony Ericsson Mobile Communications and Sony Mobile Communications.
- ▶ Today, Christina is an independent consultant and interim manager. In addition, she serves as a member of the board of several companies, listed and non listed.

Mats Hjerpe



- ▶ Director
- ▶ Year of birth: 1974
- ▶ Shareholding: -
- ▶ Board member since: 2012

- ▶ Mats Hjerpe is Partner and Investment Manager at Priveq. Mats joined Priveq in 2003 and is currently a Member of the Boards of 4C Strategies, CSAM Health, Mediaplanet and QleanAir.
- ▶ Before joining Priveq, Mats worked for Aragon Fondkommission.

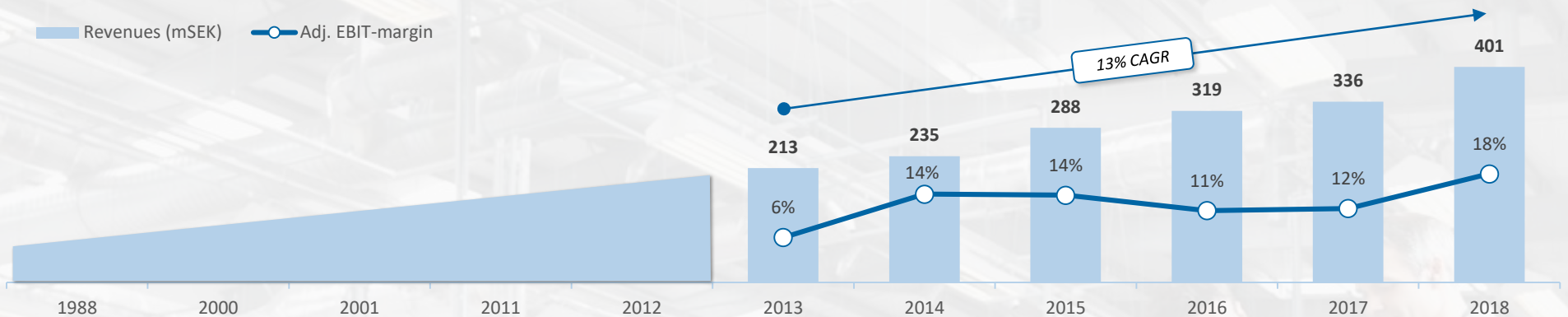
Maria Perez Hultström



- ▶ Director
- ▶ Year of birth: 1981
- ▶ Shareholding: -
- ▶ Board member since: 2017

- ▶ Maria Perez Hultström is Investment Manager at Priveq. Maria joined Priveq in 2010 and is currently a Director of the Boards of Lamiflex, Parfym.se and QleanAir.
- ▶ Before joining Priveq, Maria worked with Corporate Finance at Handelsbanken Capital Markets and Erik Penser Bank.

Appendix | History of QleanAir



1988 – 2000 FOUNDING

In 1988, Peter Bjersten, a Swedish firefighter, sets the foundation of today's business with the idea of a cabin solution protecting people.

•••

Launch of the first smoking cabin in 1997. QleanAir was the inventor of the cabin solution.

•••

Smoke Free Systems is founded in 2000.



2001 – 2011 INTERNATIONAL EXPANSION

Entering into a number of European countries between 2001-2006.

•••

Launch of the SF line of Cabin Solutions cabins in 2004.

•••

The Company enters the Japanese office market in 2008.



2012 – 2013 INCREASED SCOPE OF BUSINESS

In 2012, QleanAir is acquired by Priveq Investment Fund IV L.P. and becomes QleanAir Holding AB.

•••

A leading Japanese real estate developer becomes a major Cabin Solutions customer in Japan for office developments.

•••

Launch of first Facility Solutions device (AirQlean Low).

•••

Test launch of clean room in the US.

•••

Major deal with a leading player in the automotive industry for Cabin Solutions.



2014 – 2016 RECOGNITION

Entry in 2015 to the U.S. focusing on clean rooms.

•••

Three product categories established in 2015: Cabin Solutions, Facility Solutions and Room Solutions.

•••

New key accounts in Facility Solutions with Nordic and European companies.

•••

Launch of FS 70 industrial air cleaning device in 2016.

•••

"Outstanding Popular Science Product Award" by the Shanghai Science Expo/PSPE for AirQlean Low 115 air cleaner.



2017 – 2019 SCALING UP

Launch of Facility Solutions offering in Germany and Austria.

•••

Exclusive supplier deals for modular clean rooms with U.S. hospital systems.

•••

Ramp up of US operations focusing solely on Room Solutions.

•••

3rd generation QleanAir clean rooms compliant with U.S. USP 795, 797, 800 regulations and equipped with real-time monitoring.

•••

Listed on Nasdaq First North Growth Market in December 2019.

