



 CleanAir



Investor Presentation

Q3 2022

Premium CleanTech solutions for indoor air cleaning



Christina Lindstedt
CEO



Henrik Resmark
CFO

Speakers



Q3 - stable sales and order development, strong sequential increase in EBIT

- Stable sales and order intake
- Improved EBIT in Q3 vs Q2, five percentage points improvement
- A strong quarter in Japan, APAC
- Stable development in EMEA
- High activity level in AMERICAS
- Strong gross margin 73.1% & improved EBIT-margin 15.7%
- High recurring revenues, providing stability in unstable times
- Prioritization of profitability and focused growth initiatives



Q3 in numbers

111.4 (109.7)
Net sales, SEK millions

60 (62)
Recurring revenues, %

15.7 (22.6)
EBIT-margin, %



Q3 in order intake MSEK 92.2 (89.9) - high activity level early Q4



Strategic partnership Germany, strong CS development

- Space company OHB SE, deliver a customized clean zone solution
- Major CS order from Swedish plastic industry, value 0.9 MSEK
- Continued high interest Cabin Solutions



Sharp increase 56% in Japan

- High renewal rate
- Continued high interest Cabin Solutions
- Q4 – two major orders for Air Cleaners to the office segment



US health systems

- Q3 – MUSD 1.1 order from US healthcare organization
- Q4 – MUSD 0.6 order for cell research cleanroom project from major healthcare system
- Q4 – MUSD 0.9 order from large private compounding company



Customer cases



Strong renewals in CS in Germany

- One of the largest automotive suppliers in the world.
- Example of retention, driver for profitability and long lifetime value in Q3
- Continued high interest in Cabin Solutions



Japan

- Successful market development of Air Cleaners in Japan
- Large corporations in Japan protecting their employees



US, private compounding

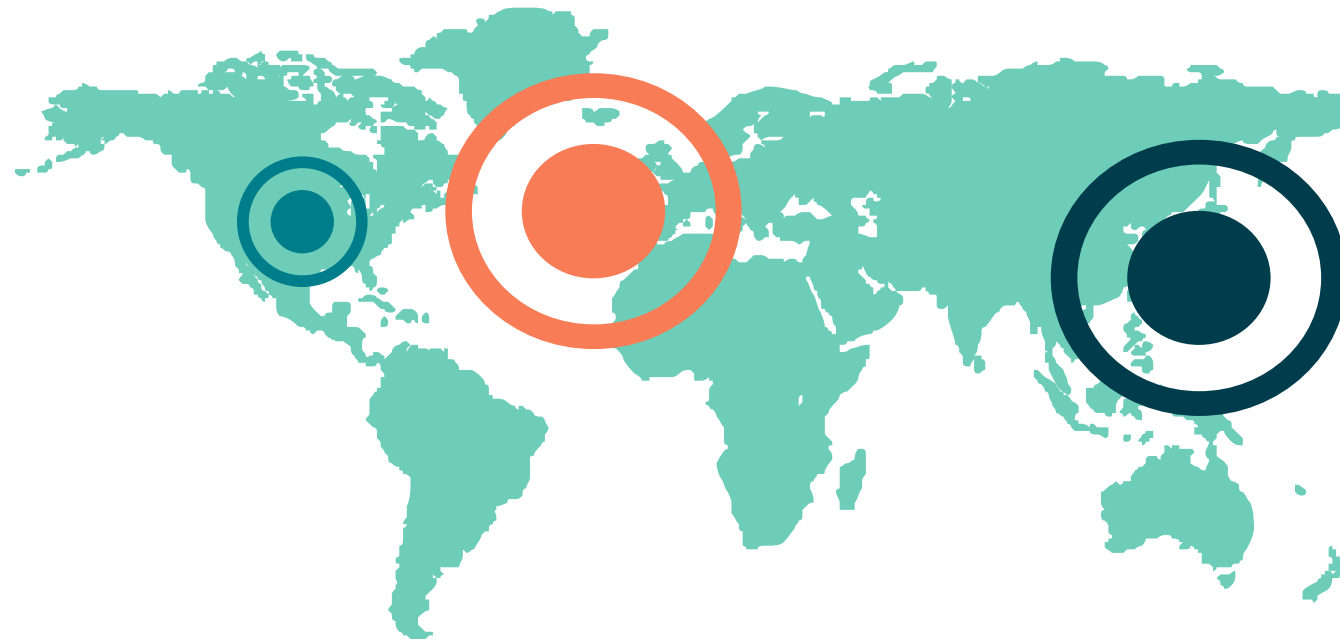
- USP compliant cleanroom for major US healthcare system, pharmaceutical industry



Q3 by region

>3 000

Customers



- 6% of sales
- 20% order intake

- 47% of sales
- 42% order intake

- 47% of sales
- 38% order intake



Q3 drivers for profitability



Strength in business model

- High share of long-term rental contracts, recurring revenues >60%
- High renewal and extension rate
- Strong gross margin >70%



Low capex

- Sell rental contracts to finance companies & product sales (40% of revenues)
- High renewal rate in own balance sheet
- External partnerships for production and service
- Sales/employee SEK 3.9 million



Cost control

- Focused investments in sales and sales driving activities
- Selective price increases
- Tight cost management



Strategic priorities – drivers for profitable growth

1.

Continued investment in sales & cost control

2.

Continued product innovation & launches

3.

Strong customer -, geographical - & product mix

Financial update

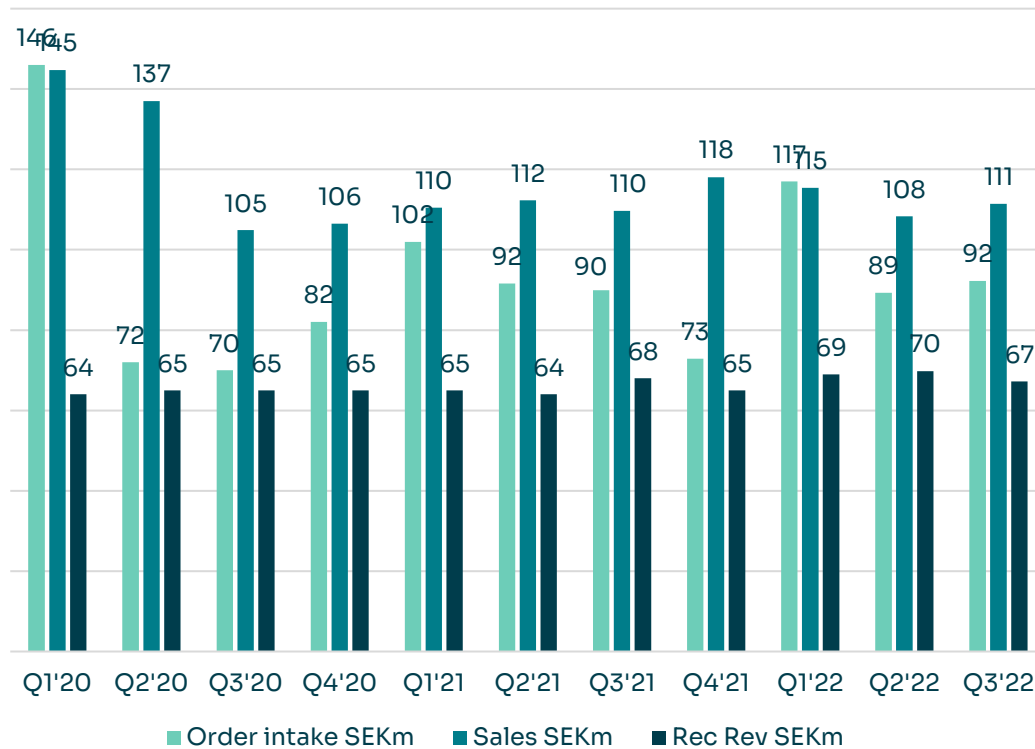


Henrik Resmark, CFO

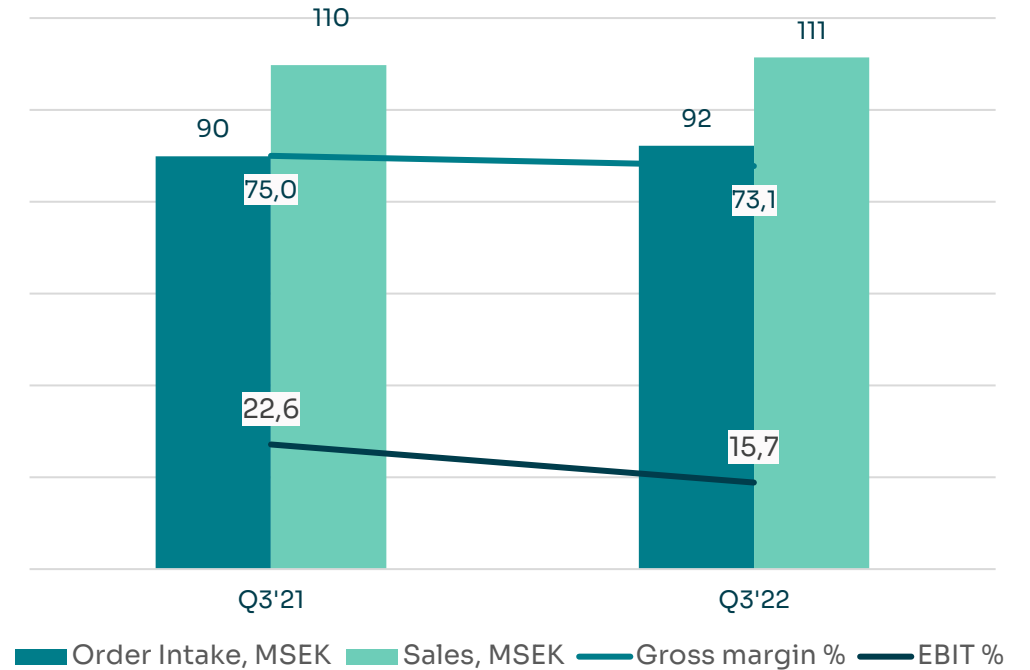


Net sales Q3 – organic growth development

Order intake, sales & recurring revenues



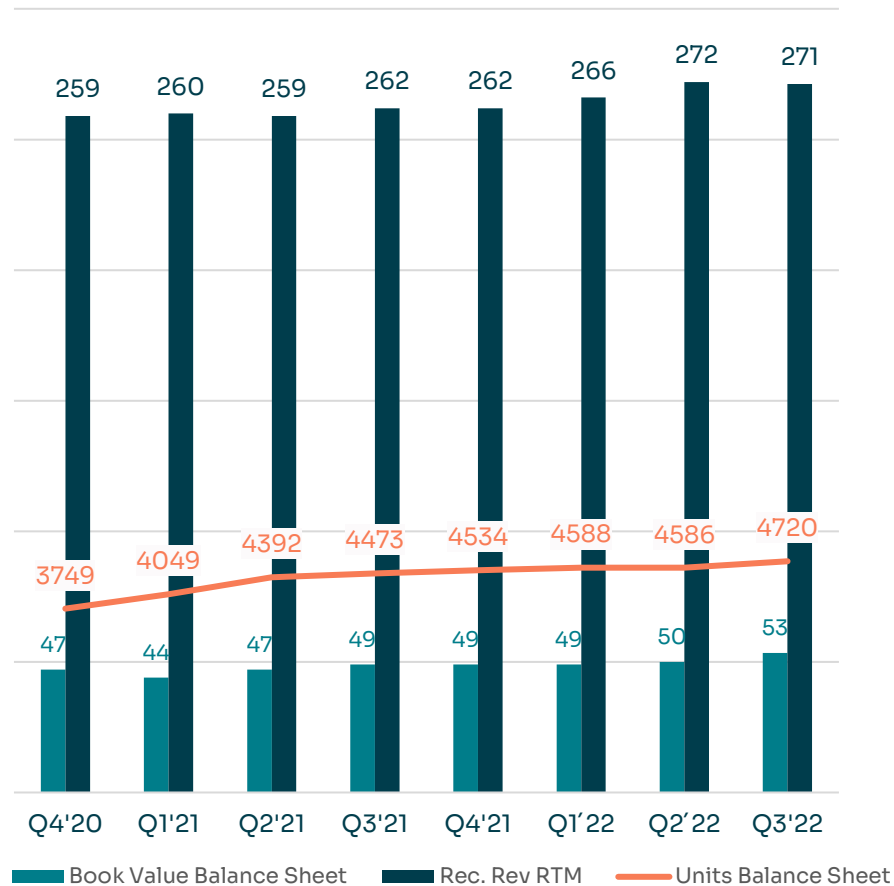
Order intake, sales and margins



- Improvement in EBIT-margin compared to previous quarter 2022
 - 15.7% vs 10.4%



Strong stable rental revenues from units in own balance sheet, service & maintenance contracts

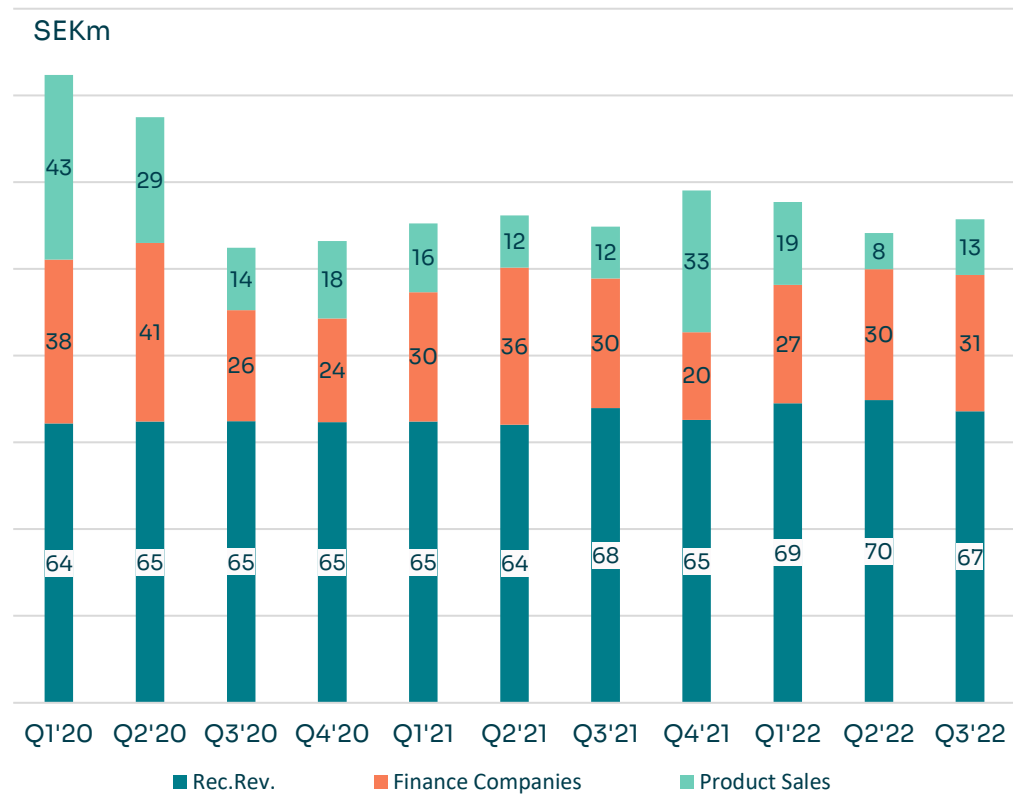


- Recurring revenues stable in Q3 MSEK 67.2 (67.9)
- Increasing number of units in own balance sheet, partly thanks to circular business model
- Very low CAPEX for units in own balance sheet book value MSEK 53.4 (48.8)

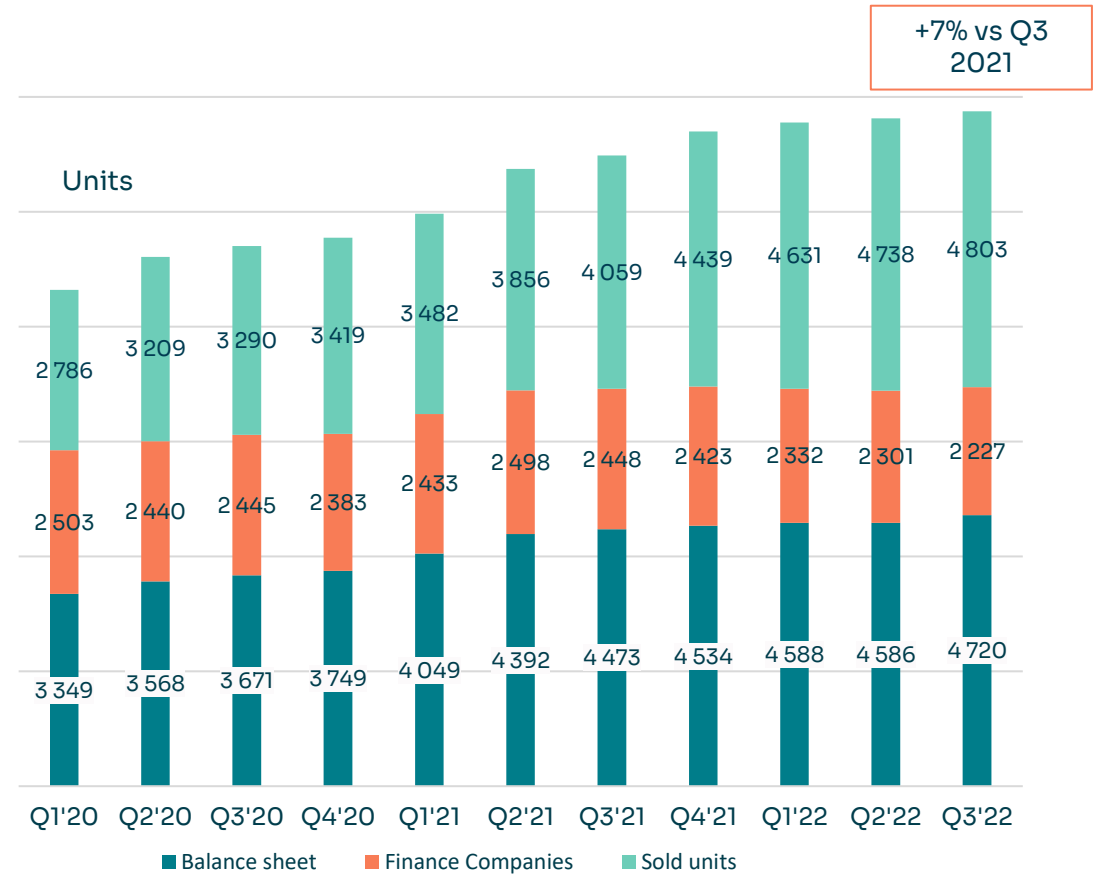


Revenue split & installed base

Revenue split



Development of the installed base



Net profit, dividend, balance sheet and cash flow

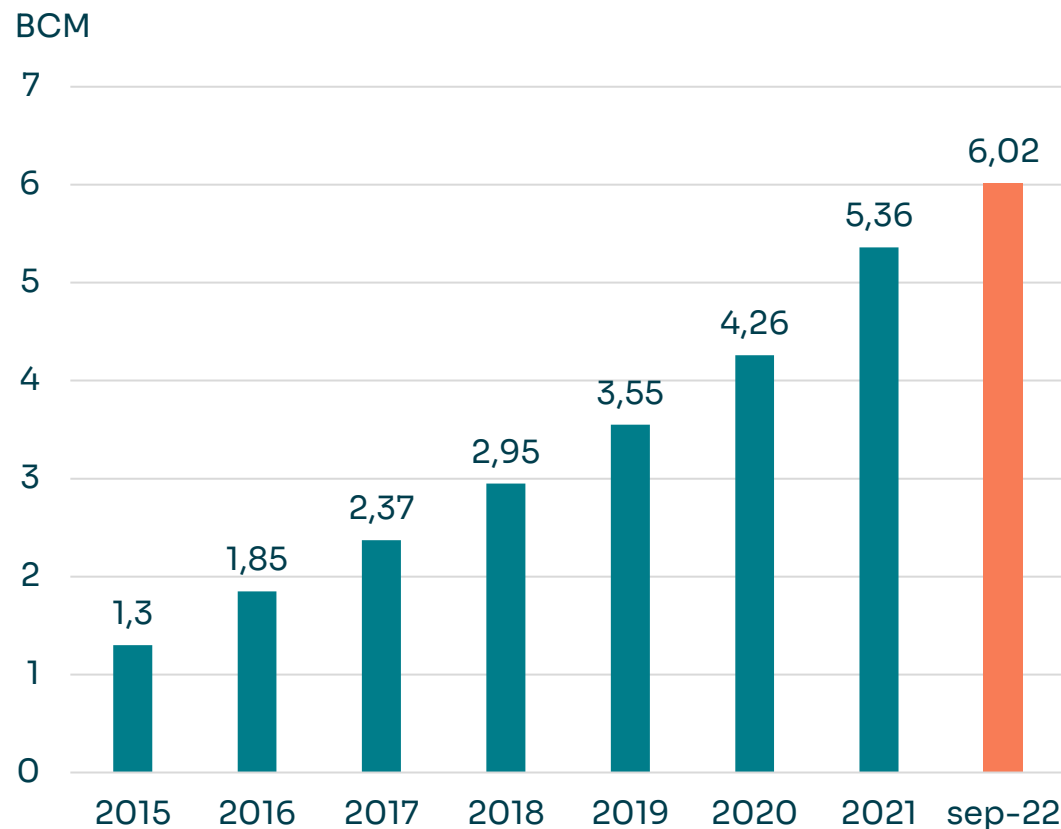
- Net debt/equity ratio 0.9 (0.9), and equity ratio 30.1% (30.8%)
- Net Profit RTM in Q3 MSEK 39
- Dividend of SEK 1.50 (1.30) per share, total MSEK 22 (19) paid during January–September 2022

TSEK	2022-09-30	2021-09-30	2021-12-31
ASSETS			
Capitalized development cost	12 382	11 220	11 553
Goodwill	343 704	343 704	343 704
Intangible fixed assets	356 086	354 923	355 257
Leasing	11 471	13 298	11 671
Tangible fixed assets	53 437	48 830	48 982
Tangible fixed assets	64 909	62 128	60 653
Deferred tax	2 741	4 255	495
Fixed assets	423 736	421 306	416 405
Inventories	66 873	29 853	43 964
Account receivables	30 864	37 168	26 674
Tax receivables	0	1 084	0
Other receivables	9 516	6 510	7 560
Prepaid costs and accrued income	72 685	47 997	46 547
Cash and bank	58 530	62 876	69 662
Current assets	238 468	185 487	194 408
TOTAL ASSETS	662 204	606 792	610 813
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	7 430	7 430	7 430
Additional paid in capital	121 116	121 452	121 116
Translation differences	-9 517	-5 398	-5 304
Balanced result	48 564	11 595	11 595
Result for the period	31 963	51 940	59 258
Shareholders' Equity	199 556	187 018	194 094
Long term interest bearing liabilities	177 089	210 760	196 717
Deferred tax liability	3 420	0	0
Other liabilities	6 109	6 465	5 328
Long term liabilities	186 618	217 225	202 045
Short term interest bearing liabilities	65 626	18 671	26 171
Accounts payable	41 874	22 877	34 770
Tax liabilities	7 089	0	5 749
Other short term liabilities	22 786	19 391	18 461
Other liabilities	5 676	7 338	6 788
Accrued expenses and deferred income	132 978	134 270	122 734
Current liabilities	276 030	202 548	214 674
Liabilities	462 648	419 773	416 719
TOTAL EQUITY AND LIABILITIES	662 204	606 792	610 813

TSEK	July-Sept 2022	July-Sept 2021	Jan-Sept 2022	Jan-Sept 2021	Full year 2021
Operating activities					
Operating income	17 466	24 775	46 291	65 511	83 397
Adjustment for non-cash items	5 912	6 048	18 335	16 720	22 598
Net finance effect	-2 125	-1 958	-5 591	-6 412	-8 059
Tax paid	-3 498	-2 998	-8 506	-338	1 588
Total	17 755	25 867	50 530	75 481	99 525
Decrease (+)/Increase (-) inventories	-9 432	-1 783	-22 156	-2 932	-16 686
Decrease (+)/Increase (-) account receivables	3 648	-11 513	-1 463	-2 262	8 932
Decrease (+)/Increase (-) current assets	-6 570	-3 946	-27 219	-9 863	-9 068
Decrease (-)/Increase (+) account payables	8 549	5 061	3 779	-2 869	8 550
Decrease (-)/Increase (+) current liabilities	-2 560	7 864	16 679	24 523	12 900
Cash-flow from ongoing operations	11 389	21 550	20 150	82 077	104 153



Cleaned air in billion cubic meters per month, +23% compared to last year



1 Human health challenge

Air pollution is the primary environmental challenge for human health.

7 million

Around 7 million people die prematurely every year from exposure to polluted air.

≈ 90%

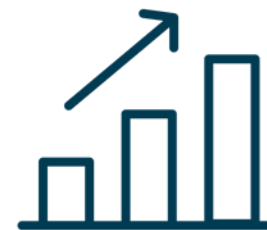
We spend around ≈ 90% of our lives indoors.

≤ 50 times

Indoor air can be up to 50 times more polluted than outdoor air.



Next steps



- Overall strong focus on profitable growth.
- In the medium run continued great opportunities to expand and grow our unique premium indoor air cleaning service globally.
- Ambition to deliver $\approx 10\%$ sales growth with an EBIT-margin 15-20% mid-term, dividend policy, 30-50% of net profit as dividend.

Pioneers in air cleaning technology with substantial barriers to entry

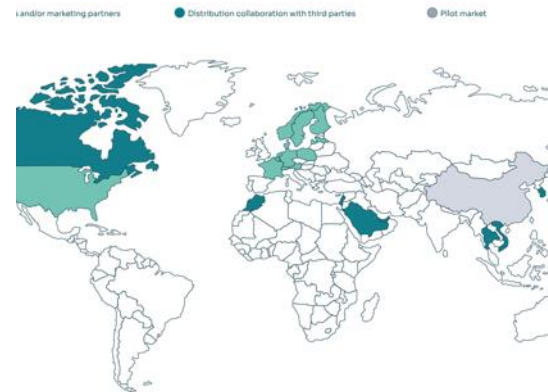
Q&A



Christina Lindstedt, CEO
Henrik Resmark, CFO



In summary QAIR



Unique premium indoor air cleaning service based on circular, rental contracts

> 3 000 corporate customers mainly located in Europe, Japan and the USA

Pioneers in air cleaning technology with high barriers to entry

Asset light business model with an increasing number of units installed cleaning air

Thank you!



Appendix



Cash flow & balance sheet

TSEK	July-Sept 2022	July-Sept 2021	Jan-Sept 2022	Jan-Sept 2021	Full year 2021
Operating activities					
Operating income	17 466	24 775	46 291	65 511	83 397
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Investing activities					
Investments in intangible assets	-1 919	-638	-3 607	-1 408	-2 705
Investments in tangible assets	-7 149	-6 885	-17 996	-20 903	-25 592
Cash flow from investing activities	-9 068	-7 523	-21 603	-22 312	-28 297
Financing activities					
Increase in loan	7 300	0	39 455	0	0
Paid dividend	0	0	-22 289	-19 317	-19 317
Amortization of loan	-9 607	-15 145	-28 604	-30 117	-39 599
Payment of warrants, net	181	265	181	51	-285
Cash flow from financing activities	-2 127	-14 881	-11 258	-49 383	-59 200
Cash flow for the period	195	-853	-12 710	10 382	16 656
Opening cash balance	56 946	63 149	69 662	52 600	52 600
Exchange rate differences on financial items	1 389	579	1 579	-106	406
Closing cash balance	58 530	62 876	58 530	62 876	69 662

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Largest shareholders

2022-09-30	
Shareholder	% , capital and votes
Qevirp 41 Ltd	23,6%
Bankinvest	11,5%
Calandrella Ltd	6,6%
Avanza Pension	5,8%
Livförsäkringsbolaget Skandia	4,6%
Aktia Nordic	4,1%
Enter Småbolagsfond	3,6%
CB LDN Citibank	2,8%
LGT Bank Ltd	2,7%
Nordnet Bank	2,5%
Ten largest shareholders	65,3%
Others	34,7%
Total	100,0%



Board of directors



Bengt Engström
Chairman

Born 1953
Position Chairman since 2020

Other assignments
Chairman of Nordic Flanges AB, BEngström/BEngström Förvaltning AB, IFG Duroc. Board member of Bure Equity AB, Scanfil Oy, Real Holding AB, Scandinova Systems AB, Scandinavian Chemotech AB and KTH Executive School AB.



Mats Hjerpe
Board member

Born 1974
Position Board member since 2012

Other assignments
Board member Smoke Free Systems Finance AB. Board member of Caybon International AB, Caybon Holding AB, Caybon LP AB, 4C Group AB, Priveq Holding V AB, Aquilonis AB, Aquilonis Invest AB and deputy board member of Priveq Advisory AB, Priveq Investment V (B) AB and Priveq Investment V (A) AB.



Johan Westman
Board member

Born 1959
Position Board member since 2020

Other assignments
Johan is currently CEO of Metenova AB and board member of Callidus AB. He was previously board member and CEO of Biolin Scientific AB and chairman of Metenova AB.



Towe Resson
Board member

Born: 1966
Position: Board member since 2021

Other assignments
Towe is today VP Global Design at Husqvarna Group AB where she started her career in 2006. Has previously held positions as core team member of the Virtual Innovation Lab and the Digital Solutions Planning and Connectivity Hub at Husqvarna Group.



Johan Ryrberg
Board member

Born 1959
Position Board member since 2021

Other assignments
Johan is currently founder and CEO at Repensum AB, He has previously held positions as CFO for KRY, interim CFO for ROL Group, CFO for Camfil Group and Ovako, as well as interim CFO for Perstorp Group and Cabonline Group.



Sebastian Lindström
Board member

Born 1965
Position Board member since 2022

Other assignments
Senior advisor VEA Ventures SRL, founder and chairman of Lindstrom Invest AB, board member of Heby Holding AB. He held several C-level positions in private equity owned companies: deputy CEO of Granngården, interim COO of Bodilsen A/S, CEO of Atea Holding AB.



Senior management



Christina Lindstedt
CEO

Born 1968
Position CEO since 2020

Other assignments
Board member Scanfil Oy. Partner at Stockholm Affärsänglar. Previously Christina was board member at Handicare, Swedish Lorry Parts and Minalyze. She has also held various leadership positions at Electrolux and Sony mobile during 20 years and been advisor through own company.

Holdings in QleanAir: 72,000 shares and 73,645 subscription options.



Henrik Resmark
CFO

Born 1969
Position CFO since 2013

Other assignments
Deputy board member of Rökfria AB. Henrik was previously CFO at NeuroNova AB/Newron AB, CFO AirPlus TV, project manager Aros Securities/Nordea Securities Corporate Finance and controller at Midway Holding AB.

Holdings in QleanAir: 30,000 shares and 29,545 subscription options.



The freedom of clean air is the promise that we deliver on to our customers

Sustainable products

Our offering – circular rental business model

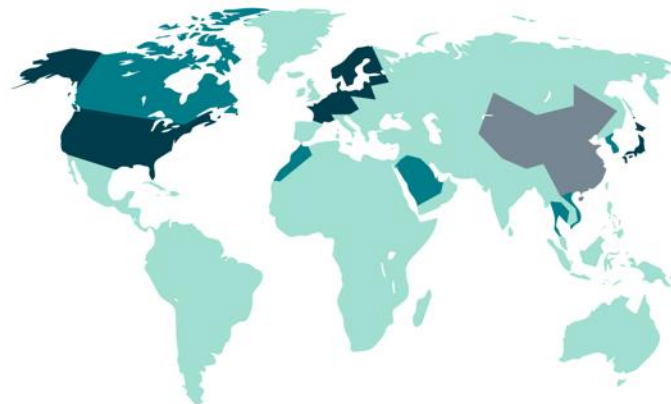
- Long-term rental and service agreement
- High quality products
- Performance guarantee
- Innovative products, design & solutions

Our impact

- Healthy indoor environment
- Safe handling of tobacco waste
- Protects people, products and processes

Responsible value chain

- In total we have ten strategic suppliers
- Long term relationships with our partners, clear CSR requirements
- Local presence with manufacturing and service



● CleanAir sales agents and/or marketing partners ● Distribution collaboration with third parties ● Pilot market

Attractive employer

- Work environment & working conditions
- Diversity
- Skills development



A photograph of two women in business attire standing together and reviewing documents. The image is overlaid with a dark teal color and features the QleanAir logo and name in white.

 QleanAir