



FOR IMMEDIATE RELEASE

AirIQ Announces June 30, 2018 Quarterly Results, Increased Recurring Revenues and Announces a Change in Officers

Toronto, Ontario – August 29, 2018 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the three months ended June 30, 2018. Recurring revenues and net income were both higher when compared to the same period the previous year. In addition, the Company is reporting increases in its cash balance and working capital for the quarter ended June 30, 2018, when compared to the period ended March 31, 2018.

“We are pleased to report that all key metrics increased during the quarter including our recurring revenues which have now increased for four consecutive quarters,” said Michael Robb, President and Chief Executive Officer of AirIQ. “Our strong cash and working capital position us extremely well for our previously announced investments in sales and marketing initiatives. We note that the Company adopted International Financial Reporting Standard (“IFRS”) 15 in the quarter related to revenues from contracts with customers. The adoption of this standard will make financial metric comparisons to prior quarters difficult. Among other things, the accounting policy changes made by the International Accounting Standards Board (IASB) have allowed us to recognize deferred service revenue in our recurring revenue line, where we always believed it should be. This was not possible under prior accounting standards,” continued Mr. Robb.

The Company also announced that Paul Hart has resigned his position as Chief Financial Officer of the Company effective September 1, 2018, and that Andrea Felstead has been appointed as Chief Financial Officer of the Company in his stead effective as of the same date. Ms. Felstead’s appointment as Chief Financial Officer is subject to review and approval of the TSX Venture Exchange.

Unless otherwise noted herein, and except share and per share amounts, all references to dollar amounts from this point forward are in thousands of Canadian dollars.

Highlights of the quarter are as follows:

First Quarter Highlights

The Company adopted IFRS 15 effective as of April 1, 2018 (as described in note 3 to the Company’s Consolidated Condensed Interim Financial Statements for the three months ended June 30, 2018). Under this adoption, the comparative information is not restated in the Company’s financial statements.

In order to provide comparable information to the previous year, set out below are the first quarter highlights excluding any IFRS 15 adjustments where applicable:

- Total revenues increased to \$849 for the period ended June 30, 2018 when compared to the same period the previous year of \$812.
- Recurring revenues increased by 11.5% to \$606 during the current quarter from \$544 for the three months ended June 30, 2017.
- Hardware and other revenues decreased to \$243 for the period ended June 30, 2018 when compared to the same period the previous year of \$268.
- Quarterly gross profit decreased 2.6% to \$492 compared to \$505 for the quarter ended June 30, 2017.
- EBITDAS increased by 25.6% to \$157 compared to \$125 for the quarter ended June 30, 2017.

- Net income increased by 44.1% to \$98 compared to net income of \$68 in the quarter ended June 30, 2017.
- Cash balance increased by \$156 or 29.6% to \$683 for the quarter ended June 30, 2018 when compared to \$527 for the period ended March 31, 2018.
- Working capital increased by \$92 or 12.5% to \$829 for the quarter ended June 30, 2018 when compared to \$737 for the period ended March 31, 2018.

Following are the first quarter highlights that were impacted by the adoption of IFRS 15, including adjustments:

- Total revenues were \$807 for the period ended June 30, 2018.
- Recurring revenues were \$674 for the three months ended June 30, 2018.
- Hardware and other revenues were \$133 for the period ended June 30, 2018.

Financial Highlights

	Three months ended 30-Jun-2018 with adoption of IFRS 15 ⁽¹⁾	Three months ended 30-Jun-2018 without adoption of IFRS 15 ⁽¹⁾	Three months ended 30-Jun-2017 ⁽¹⁾
Recurring revenues ⁽¹⁾	\$674	\$606	\$544
Hardware and other revenues ⁽¹⁾	\$133	\$243	\$268
Total revenues ⁽¹⁾	\$807	\$849	\$812
Gross profit	\$492	\$492	\$505
Gross profit%	58%	58%	62%
Expenses ⁽²⁾	\$335	\$335	\$380
EBITDAS ⁽³⁾	\$157	\$157	\$125
Other expenses ⁽⁴⁾	\$59	\$59	\$57
Total net income	\$98	\$98	\$68
Income per share, basic and diluted	\$0.00	\$0.00	\$0.00

(1) Revenues have been impacted by the adoption of IFRS 15, as described in note 3 of the Company's consolidated condensed interim financial statements for the three months ended June 30, 2018. Under this adoption, the comparative information is not restated.

(2) Excludes share-based compensation.

(3) EBITDAS represents earnings before interest and non-cash items: depreciation and amortization, impairment of long-lived assets and share-based compensation and impairment on long-lived asset.

(4) Includes non-cash notional charges such as interest, depreciation and amortization and share-based compensation expense.

Business Review

The Company is focusing its efforts and resources on revenue growth and profitability by continuing to offer leading-edge technology solutions for existing and new customers. The Company continues to focus on recurring revenue, gross profits and improving cash-flows to build a sustainable business.

Financial Statements & MDA

The Company's unaudited consolidated condensed interim financial statements for the three months ended June 30, 2018 including notes thereto, and Management's Discussion and Analysis for the same period are being filed with the Canadian securities regulatory authorities on today's date, and will be available on the Company's website (www.airiq.com) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com). The Company's financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

About AirIQ

AirIQ currently trades on the TSX Venture Exchange under the symbol IQ. AirIQ is an intuitive web-based platform that provides fleet operators and vehicle owners with a suite of asset management solutions to reduce costs, improve efficiency and monitor, manage and protect their assets. Services are available online or via a mobile app, and include: instant vehicle locating, boundary notification, automated inventory reports, maintenance reminders, security alerts and vehicle disabling and unauthorized movement alerts. AirIQ's office is located in Pickering, Ontario, Canada. For additional information on AirIQ or its products and services, please visit the Company's website at www.airiq.com.

Forward-looking Statements

This news release contains forward-looking information based on management's best estimates and the current operating environment. These forward-looking statements are related to, but not limited to, AirIQ's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains statements with words such as "hope", "goal", "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. These statements are based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including AirIQ's perception of historical trends, current conditions and expected future developments as well as other factors management believes are appropriate in the circumstances. Such forward-looking statements are as of the date which such statement is made and are subject to a number of known and unknown risks, uncertainties and other factors, which could cause actual results or events to differ materially from future results expressed, anticipated or implied by such forward-looking statements. Such factors include, but are not limited to, changes in market and competition, technological and competitive developments and potential downturns in economic conditions generally. Therefore, actual outcomes may differ materially from those expressed in such forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Other than as may be required by law, AirIQ disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of such information, future events or otherwise.

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