



FOR IMMEDIATE RELEASE

AirIQ Announces December 31, 2020 Quarterly Results; Reports Double Digit Growth in Recurring Revenue

Toronto, Ontario – February 11, 2020 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the three months and nine months ended December 31, 2020, reporting increases in recurring revenue of 11%, total revenue of 4%, gross profit of 13%, gross margin of 6%, operating profits of 16%, net income of 15%, cash balance of 5% and working capital of 6%, when compared to the same period the previous year.

“We are very pleased with our results this quarter, representing increases in almost all of our key operating metrics,” stated Michael Robb, President and Chief Executive Officer of the Company. “Despite the ongoing uncertainty due to the COVID-19 pandemic, the Company continues to move forward through the dedicated work of our team and the broadening of our product offering, such as the previously announced camera and battery operated devices,” continued Mr. Robb.

Highlights for the three months ended December 31, 2020 compared to December 31, 2019 are as follows:

- Recurring revenue increase of 11% or \$80,564 to \$822,678 from \$742,114
- Hardware and other revenue decrease of 37% or \$44,778 to \$77,168 from \$121,946
- Total revenue increase of 4% or \$35,786 to \$899,846 from \$864,060
- Gross profit increase of 13% or \$71,294 to \$635,434 from \$564,140
- Gross margin increase of 6% to 71% from 65%
- Operating profits increase of 16% or \$27,743 to \$198,824 from \$171,081
- Net income increase of 15% or \$9,049 to \$71,359 from \$62,310
- Cash balance increase of 5% or \$89,817 to \$1,909,657 from \$1,819,840
- Working capital increase of 6% or \$122,410 to \$2,148,960 from \$2,026,550 (Working capital is defined as total current assets, less total current liabilities, excluding deferred revenue and lease obligation. Deferred revenues, and lease obligations are non-cash items.)

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. We continue to focus on recurring revenues, gross profits and improving cash-flows to build a sustainable business. Recently, the Company announced the launch of a fully integrated camera and telematics solution to penetrate an under-served market which is anticipated to drive further recurring revenue growth in the future.

Normal Course Issuer Bid

The Company filed a Notice of Intention to Make a Normal Course Issuer Bid (the “Bid”) with the TSX Venture Exchange (“TSXV”) commencing March 27, 2020 and ending on March 26, 2021. Pursuant to the Bid, the Company proposed to purchase through the facilities of the TSXV up to 1,491,447 common shares, representing approximately 5% of the then issued and outstanding common shares of the Company. The Company’s broker for the Bid is Hampton Securities Limited.

During the three months ended December 31, 2020, the Company purchased 123,000 common shares under the Bid for a total of \$41,205 or \$0.335 per common share (three months and six months ended December 31, 2019 – nil common shares were purchased), plus an additional \$1,230 in broker fees were paid for the repurchase of the shares (December 31, 2019 - \$nil).

Subsequent to the quarter end, the Company repurchased for cancellation an additional 107,000 common shares pursuant to the Company's normal course issuer bid described above. The repurchase price per share was an average of \$0.3326 per share for an aggregate consideration paid of approximately \$35,584 plus a broker fee in the aggregate of \$1,070.

Subsequent Event - Stock Option Exercise

Subsequent to the quarter end, on January 20, 2021, options for a total of 101,077 common shares in the capital of the Company were exercised for an aggregate consideration of \$10,162 and 101,077 common shares were issued from treasury.

As of February 10, 2021, the Company has a total of 29,700,024 common shares issued and outstanding.

Overview

The Company's unaudited consolidated condensed interim 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.

Financial Statements & MDA

The Company's unaudited consolidated condensed interim financial statements for the three months and nine months ended December 31, 2020 and 2019 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 cost, 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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