



FOR IMMEDIATE RELEASE

AirIQ Announces March 31, 2021 Year End Results Reports Fourth Consecutive Year of Recurring Revenue Growth

Toronto, Ontario – July 15, 2021 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the year ended March 31, 2021, reporting a fourth consecutive year of recurring revenue growth.

“We are very pleased to report that the Company achieved a year-over-year increase of 8% in recurring revenue despite the COVID-19 pandemic. We also continued to achieve operating and net income profitability and remained operational cash flow positive through this very difficult period”, said Mike Robb, President and Chief Executive Officer of AirIQ. “Hardware sales were significantly impacted due to the pandemic this past year as a large hardware order received in the previous year was not repeated this year; however, post year end that customer is already starting to place similar type hardware orders”, continued Mr. Robb. “I am very pleased with our results and our future opportunities as businesses return to normal operations from the COVID-19 pandemic”, stated Mr. Robb.

All dollar amounts set out herein are in Canadian dollars.

Highlights for the year are as follows:

Annual Highlights

- Recurring revenue of \$3,188,644 for the year ended March 31, 2021 increased by 8% or \$244,613 compared to \$2,944,031 for the prior year. Recurring revenue represented 86% of total revenue compared to 58% in the prior year.
- Hardware revenue of \$519,431 for the year ended March 31, 2021 decreased by 75% or \$1,576,913 compared to \$2,096,344 for the prior year. Hardware revenue represented 14% of total revenue compared to 42% in the prior year.
- Total revenue of \$3,708,075 for the year ended March 31, 2021 decreased by 26% or \$1,332,300 compared to \$5,040,375 for the prior year.
- Gross profit of \$2,494,060 for the year ended March 31, 2021 decreased by 2% or \$63,287 compared to \$2,557,347 for the prior year.
- Gross margin of 67% for the year ended March 31, 2021 increased by 16% compared to 51% for the prior year.
- EBITDAS of \$942,989 for the year ended March 31, 2021 increased by 4% or \$36,119 compared to \$906,870 for the prior year.
- Net income of \$449,483 for the year ended March 31, 2021 decreased 37% or \$264,016 compared to \$713,499 for the prior year.
- Cash balance of \$1,828,560 for the year ended March 31, 2021 decreased by 17% or \$382,490 compared to \$2,211,050 for the prior year.

Fourth Quarter Highlights:

- Recurring revenue of \$801,969 for this quarter increased by 8% or \$62,058 compared to \$739,911 for same quarter in the prior year, and decreased by 3% or \$20,709 compared to \$822,678 for the prior quarter.
- Net income of \$29,666 for the quarter decreased by 88% or \$220,149 compared to \$249,815 for the same quarter in the prior year, and increased by 58% or \$41,693 compared to \$71,359 for the prior quarter.

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.

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 year ended March 31, 2021, the Company purchased 250,000 common shares under the Bid for a total of \$83,162 or an average of \$0.33 per common share (year ended March 31, 2020 – nil common shares were purchased), plus an additional \$2,500 in broker fees were paid for the repurchase of the shares (March 31, 2020 - \$nil). See *Subsequent Events* below.

Subsequent Events

Normal Course Issuer Bid

Subsequent to the year end, on April 13, 2021, the Company announced the renewal of its normal course issuer bid to purchase up to 1,504,252 common shares representing 5% of the Company’s then current issued and outstanding common shares through the facilities of the TSXV during the period commencing April 13, 2021 and ending on April 12, 2022 (the “Renewal Bid”). In April of 2021, the Company repurchased for cancellation an additional 198,500 common shares pursuant to the Renewal Bid for an average of \$0.27 per share for an aggregate consideration paid of approximately \$53,595 plus a broker fee in the aggregate of \$1,985.

Stock Option Plan

Subsequent to the year end, on May 11, 2021, options for a total of 150,000 common shares in the capital of the Company were exercised for an aggregate consideration of \$22,500, and 150,000 common shares were issued from treasury.

As of July 14, 2021, the Company has a total of 30,036,574 common shares issued and outstanding.

SELECTED ANNUAL INFORMATION

Financial Highlights

In thousands of Canadian dollars

	Year ended 31-Mar-2021	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Recurring revenues	\$3,189	\$2,944	\$2,722
Hardware and other revenues	\$519	\$2,096	\$960
Total revenues	\$3,708	\$5,040	\$3,682
Gross profit	\$2,494	\$2,557	\$2,107
Gross profit margin %	67%	51%	57%
Expenses ⁽¹⁾	\$1,551	\$1,650	\$1,624
EBITDAS ⁽²⁾	\$943	\$907	\$483
Other expenses ⁽³⁾	\$494	\$194	\$252
Total net income	\$449	\$713	\$231
Income per share, basic	\$0.02	\$0.02	\$0.01
Income per share, diluted	\$0.01	\$0.02	%0.01

(1) Excludes share-based compensation and foreign exchange.

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

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

Overview

The Company's audited consolidated 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 audited consolidated financial statements for the years ended March 31, 2021 and 2020 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 (TSXV: IQ) was founded in 1997 and is a pioneer in IoT based asset management solutions. AirIQ's solutions allow commercial businesses to reliably, effectively and efficiently monitor assets in near real time. The Company develops iOS and Android mobile and web-based applications, and cloud-based solutions that stand-alone or that can be readily integrated with existing software. AirIQ solutions are mixed fleet capable and provide fleet reporting, maintenance, compliance, safety and analytics utilizing multiple hardware options including a fully integrated video telematics camera solution and a battery powered solution for non-powered assets. . For additional information on AirIQ please visit the Company's website at www.airiq.com or follow us on LinkedIn, Facebook and Twitter.

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.

* * *

For more information please contact:

AirIQ Inc., Michael Robb, President and Chief Executive Officer, (905) 831-6444, mrobb@airiq.com

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