



FOR IMMEDIATE RELEASE

AirIQ Announces June 30, 2021 Quarterly Results Reports 19% Increase in Revenues Over the Same Period Last Year

Toronto, Ontario – August 19, 2021 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a leader in wireless asset management services, today announced its financial results for the three months ended June 30, 2021, reporting a 3% increase in recurring revenue and a 106% increase in hardware revenues, resulting in a total revenue increase of 19% compared to the same period the prior year; as well as an 11% increase in gross profit compared to the three months ended June 30, 2020.

“We are very pleased with the increase in revenues and gross profit”, said Mike Robb, President and Chief Executive Officer of AirIQ, “as those key metrics continue to be the Company’s focus to increase profitability”, continued Mr. Robb. “The 106% increase in hardware revenue resulted from another large order from one of our major rental companies, as previously announced. In addition, the Company continues to concentrate on developing leading-edge technology solutions for our customers to drive further revenue growth”, stated Mr. Robb.

All dollar amounts set out herein are in Canadian dollars.

Highlights for the year are as follows:

First Quarter Highlights (for the three months ended June 30, 2021 compared to June 30, 2020)

- Total revenue of \$1,081,795 for the three months ended June 30, 2021 increased by 19% or \$168,970 compared to \$912,825 for the prior year period.
- Hardware and other revenue of \$279,961 for the three months ended June 30, 2021 increased by 106% or \$143,766 compared to \$136,195 for the prior quarter.
- Recurring revenue of \$801,834 for the three months ended June 30, 2021 increased by 3% or \$25,204 compared to \$776,630 for the prior year period.
- Gross profit of \$662,935 for the three months ended June 30, 2021 increased by 11% or \$62,825 compared to \$600,110 for the prior year period.
- Gross margin of 61% for the three months ended June 30, 2021 decreased by 5% compared to 66% for the prior year period.
- EBITDAS of \$280,857 for the three months ended June 30, 2021 decreased by 1% or \$3,182 compared to \$284,039 for the prior year period.
- Net income of \$174,816 for the three months ended June 30, 2021 decreased 3% or \$6,470 compared to \$181,286 for the prior year period.
- Cash balance of \$1,841,122 for the three months ended June 30, 2021 decreased by 9% or \$183,590 compared to \$2,024,712 for the prior year period.
- Working capital of \$2,425,478 for the three months ended June 30, 2021 increased by 5% or \$106,398 compared to \$2,319,080 for the prior year period. (Working capital has been calculated by netting current assets, excluding current costs of deferred revenues, and current liabilities, excluding deferred revenue that 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 and managing the effects of COVID-19.

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 April 13, 2021 and ending on April 12, 2022. Pursuant to the Bid, the Company proposed to purchase through the facilities of the TSXV up to 1,504,252 common shares of the Company, representing 5% of the Company’s then current issued and outstanding common shares.

During the quarter ended June 30, 2021, the Company repurchased for cancellation 198,500 common shares pursuant to the 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

During the three months ended June 30, 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 August 18, 2021, the Company has a total of 30,036,574 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 consolidated condensed interim financial statements for the three months ended June 30, 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.

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